

Agenda Order

<b>Tab 2</b>	<b>CS/SB 314</b> by <b>BI, Burton</b> ; Similar to CS/H 00175 Payment Stablecoin						
<b>Tab 3</b>	<b>CS/SB 530</b> by <b>RI, Simon (CO-INTRODUCERS) Pizzo</b> ; Similar to H 01401 State Lotteries						
<b>Tab 4</b>	<b>CS/SB 576</b> by <b>GO, Harrell</b> ; Similar to CS/H 01085 Local Government Cybersecurity						
<b>Tab 5</b>	<b>CS/SB 800</b> by <b>RI, Mayfield</b> ; Compare to CS/H 00839 Engineering						
<b>Tab 6</b>	<b>SB 990</b> by <b>Leek</b> ; Similar to CS/H 00883 Protected Cell Captive Insurance Companies						
<b>Tab 7</b>	<b>CS/SB 1078</b> by <b>GO, Grall</b> ; Similar to CS/H 01063 Gubernatorial Transition						
<b>Tab 8</b>	<b>CS/SB 1440</b> by <b>BI, Martin</b> ; Similar to H 00777 Public Records/Office of Financial Regulation/Cybersecurity Event						
<b>Tab 9</b>	<b>CS/SB 1568</b> by <b>BI, DiCeglie</b> ; Similar to CS/H 01415 Florida Stablecoin Pilot Program						
342188	A	S	RCS	AEG, DiCeglie	Delete L.116 - 238:	02/20 03:43 PM	
<b>Tab 10</b>	<b>SB 1588</b> by <b>Gruters</b> ; Compare to CS/H 01311 Legal Tender						
<b>Tab 11</b>	<b>CS/SB 1614</b> by <b>CA, Leek</b> ; Similar to CS/H 01169 Florida Building Code						
716506	A	S	RS	AEG, Leek	Delete L.17 - 79:	02/18 11:54 AM	
314064	SA	S	RCS	AEG, Leek	Delete L.17 - 79:	02/18 11:54 AM	

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

**APPROPRIATIONS COMMITTEE ON AGRICULTURE,  
 ENVIRONMENT, AND GENERAL GOVERNMENT**  
**Senator Brodeur, Chair**  
**Senator Berman, Vice Chair**

**MEETING DATE:** Wednesday, February 18, 2026  
**TIME:** 10:30 a.m.—12:00 noon  
**PLACE:** Pat Thomas Committee Room, 412 Knott Building

**MEMBERS:** Senator Brodeur, Chair; Senator Berman, Vice Chair; Senators Arrington, DiCeglie, Grall, Massullo, McClain, Pizzo, Rodriguez, Sharief, and Truenow

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Review and Discussion of Fiscal Year 2026-2027 Budget Issues Relating to: Department of Agriculture and Consumer Services Department of Citrus Department of Environmental Protection Fish and Wildlife Conservation Commission Department of Business and Professional Regulation Department of Financial Services Office of Financial Regulation Offices of Insurance Regulation Florida Gaming Control Commission Department of Lottery Department of Management Services Division of Administrative Hearings Florida Commission of Human Relations Public Employees Relations Commission Public Service Commission Department of Revenue		Discussed
2	<b>CS/SB 314</b> Banking and Insurance / Burton (Similar CS/H 175)	Payment Stablecoin; Revising the definition of the term “money services business”; revising the Florida Control of Money Laundering in Money Services Business Act to include payment stablecoins; prohibiting persons from engaging in the activity of a qualified payment stablecoin issuer without registering and receiving a specified notification; requiring applicants seeking to be a qualified payment stablecoin issuer to submit a specified application to the office; specifying that qualified payment stablecoin issuers may only engage in certain activities, etc.  BI      02/04/2026 Fav/CS AEG     02/18/2026 Favorable RC	Favorable Yeas 11 Nays 0

**COMMITTEE MEETING EXPANDED AGENDA**Appropriations Committee on Agriculture, Environment, and General Government  
Wednesday, February 18, 2026, 10:30 a.m.—12:00 noon

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
3	<b>CS/SB 530</b> Regulated Industries / Simon (Similar H 1401)	State Lotteries; Revising the powers and duties of the Department of the Lottery; revising the information required to be provided to the department by persons who submit a bid, a proposal, or an offer to negotiate a contract for major procurement; authorizing the Division of Security's sworn law enforcement officers to purchase and present lottery tickets to a lottery retailer to claim a prize under certain circumstances; prohibiting certain false claims relating to state lottery tickets, etc.  RI 01/27/2026 Fav/CS AEG 02/18/2026 Favorable FP	Favorable Yeas 11 Nays 0
4	<b>CS/SB 576</b> Governmental Oversight and Accountability / Harrell (Similar CS/H 1085)	Local Government Cybersecurity; Creating the Local Government Cybersecurity Protection Program within the Florida Digital Service; requiring the grant program to be administered by the Florida Digital Service; requiring the Florida Digital Service to enter into certain data-sharing agreements with local governments for a specified purpose; requiring the Florida Digital Service to contract for information technology commodities and services and award such commodities and services to local governments, etc.  GO 02/11/2026 Fav/CS AEG 02/18/2026 Favorable AP	Favorable Yeas 11 Nays 0
5	<b>CS/SB 800</b> Regulated Industries / Mayfield (Compare CS/H 839)	Engineering; Providing penalties for persons found to have repeatedly engaged in the unlicensed practice of engineering; establishing the Engineering Student Loan Assistance Program; providing for the program's management by the Florida Engineers Management Corporation; providing the purpose of the program, etc.  RI 01/20/2026 Fav/CS AEG 02/18/2026 Favorable FP	Favorable Yeas 11 Nays 0

**COMMITTEE MEETING EXPANDED AGENDA**

Appropriations Committee on Agriculture, Environment, and General Government  
 Wednesday, February 18, 2026, 10:30 a.m.—12:00 noon

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
6	<b>SB 990</b> Leek (Similar CS/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 Favorable AEG 02/18/2026 Favorable RC	Favorable Yeas 11 Nays 0
7	<b>CS/SB 1078</b> Governmental Oversight and Accountability / Grall (Similar CS/H 1063)	Gubernatorial Transition; Requiring the Governor to designate a transition liaison within the Executive Office of the Governor within a specified timeframe; requiring the head of each state agency to designate an agency transition liaison within a specified timeframe; requiring the Department of Management Services and each state agency to provide certain temporary office facilities to certain persons during the transition period; requiring that the Governor-elect and his or her staff be granted access to all state agency records upon request, etc.  GO 02/02/2026 Fav/CS AEG 02/18/2026 Favorable RC	Favorable Yeas 11 Nays 0
8	<b>CS/SB 1440</b> Banking and Insurance / Martin (Similar H 777, Compare CS/H 381, Linked CS/CS/S 540)	Public Records/Office of Financial Regulation/Cybersecurity Event; Providing an exemption from public records requirements for information received by the Office of Financial Regulation pursuant to certain cybersecurity event provisions relating to information systems and customer information of loan originators, mortgage brokers, and mortgage lenders and for information received by the office as a result of investigations and examinations of such cybersecurity events; providing an exemption from public records requirements for information received by the office pursuant to certain cybersecurity event provisions relating to information systems and customer information of money services businesses and for information received by the office as a result of investigations and examinations of such cybersecurity events; providing for future legislative review and repeal of the exemption; providing a statement of public necessity, etc.  BI 01/28/2026 Fav/CS AEG 02/18/2026 Favorable RC	Favorable Yeas 10 Nays 1

**COMMITTEE MEETING EXPANDED AGENDA**

Appropriations Committee on Agriculture, Environment, and General Government  
 Wednesday, February 18, 2026, 10:30 a.m.—12:00 noon

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
9	<b>CS/SB 1568</b> Banking and Insurance / DiCeglie (Similar CS/H 1415)	Florida Stablecoin Pilot Program; Establishing the Florida Stablecoin Pilot Program within the Department of Financial Services; authorizing the department to accept payment stablecoins; authorizing the department to conduct examinations, audits, and investigations of permitted payment stablecoin issuers; requiring the department to monitor and evaluate the pilot program and collect certain data, etc.  BI 02/04/2026 Fav/CS AEG 02/18/2026 Fav/CS RC	Fav/CS Yeas 11 Nays 0
10	<b>SB 1588</b> Gruters (Compare CS/H 1311)	Legal Tender; Revising the definitions of the terms “gold coin” and “silver coin”; revising requirements for gold coin and silver coin recognized as legal tender; deleting a provision regarding examination of certain applicants; revising prohibitions relating to money services businesses; revising license application requirements for certain applicants, etc.  BI 02/11/2026 Favorable AEG 02/18/2026 Favorable RC	Favorable Yeas 11 Nays 0
11	<b>CS/SB 1614</b> Community Affairs / Leek (Similar CS/H 1169)	Florida Building Code; Revising how a local government is required to spend excess funds; providing that a local government is not eligible to receive state funds through a local funding initiative request if it has been subject to a legislative committee’s audit within a specified timeframe or if it fails to submit a certain affirmation to its legislative delegation, etc.  CA 02/03/2026 Fav/CS AEG 02/18/2026 Fav/CS AP	Fav/CS Yeas 11 Nays 0

Other Related Meeting Documents

## Appropriations Committee on Agriculture, Environment, and General Government

Row #	Issue Code	Issue Title	AEG Recommendations							Row #	
			Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds		
1		<b>AGRIC/CONSUMER SVCS/COMMR</b>								1	
2	1100001	<b>Startup (OPERATING)</b>	225,837,404	3,820.25	158,065,514			161,455,882	2,214,296,771	2,533,818,167	2
3	1100002	<b>Startup Recurring Fixed Capital Outlay (DEBT SERVICE/OTHER)</b>						200,000,000		200,000,000	3
4	1800140	Transfer Position(S) From Food Safety To Consumer - Add	43,000	1.00					76,600	76,600	4
5	1800150	Transfer Position(S) From Food Safety To Consumer - Deduct	(43,000)	(1.00)					(76,600)	(76,600)	5
6	1800470	Transfer Division Information Technology Staff To The Office Of Agriculture Technology Services - Add	1,297,542	22.00	788,392			114,725	1,057,948	1,961,065	6
7	1800480	Transfer Division Information Technology Staff To The Office Of Agriculture Technology Services - Deduct	(1,297,542)	(22.00)	(788,392)			(114,725)	(1,057,948)	(1,961,065)	7
8	2401200	Replace Laboratory Equipment			400,000	400,000			1,437,500	1,837,500	8
9	2401500	Replacement Of Motor Vehicles							5,714,989	5,714,989	9
10	2402400	Additional Equipment - Motor Vehicles							856,514	856,514	10
11	2503080	Direct Billing For Administrative Hearings							(14,174)	(14,174)	11
12	3000240	Executive Direction Additional Staff - Procurement And Auditing	188,050	3.00					342,117	342,117	12
13	3200100	Reduce Excess Budget Authority							(1,500,000)	(1,500,000)	13
14	33V0240	Permit-Less Carry Impact Reductions	(475,997)	(12.00)					(779,848)	(779,848)	14
15	33V0380	Reduction In The Viticulture Program - Division Of Marketing							(100,000)	(100,000)	15
16	33V1620	Vacant Position Reductions	(166,637)	(4.00)	(69,788)				(96,849)	(166,637)	16
17	33V5170	Reduction Of Excess Budget Authority							(450,000,000)	(450,000,000)	17
18	3400120	Fund Shift From Citrus Inspection Trust Fund To General Revenue - Add			4,462,369					4,462,369	18
19	3400130	Fund Shift From Citrus Inspection Trust Fund To General Revenue - Deduct							(4,462,369)	(4,462,369)	19
20	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness			3,184,404	3,184,404				3,184,404	20
21	36250C0	Enterprise Data Communications			2,150,000	2,150,000				2,150,000	21
22	36285C0	Microsoft Enterprise Licenses			1,748,910					1,748,910	22
23	36295C0	Cybersecurity And Network Infrastructure Enhancements			2,728,900	1,285,360				2,728,900	23
24	4900030	Pesticide Registration	151,250	3.00					292,787	292,787	24
25	4900160	Bureau Of Age-Restricted Foods	1,775,792	25.00	9,072,510	4,653,732				9,072,510	25
26	4900270	Mollusk Survey Program							1,610,936	1,610,936	26
27	4900280	Fertilizer Rate Study (SF 1338)			1,000,000	1,000,000				1,000,000	27
28	4900330	Consumer Protection	295,451	6.00					1,022,726	1,022,726	28
29	4900380	Future Farmers Of America			1,000,000					1,000,000	29
30	4900430	Land Management			10,000,000	10,000,000				10,000,000	30
31	4900600	Farmers Feeding Florida			60,000,000					60,000,000	31
32	4900730	Farm Share (SF 1734)			2,000,000	2,000,000				2,000,000	32
33	4900820	Oyster Restoration			4,000,000	4,000,000				4,000,000	33
34	4900840	Marine Debris							1,000,000	1,000,000	34
35	4900900	Increase Contracted Services							804,774	804,774	35
36	4900910	Increase Operating Costs						2,873,906	1,617,566	4,491,472	36
37	4901065	Trf to AEETF			17,000,000	17,000,000				17,000,000	37
38	4901230	New State Forest	194,070	4.00					1,923,479	1,923,479	38
39	4901700	Agriculture Projects								-	39
40		A Land Remembered (SF 1374)			500,000	500,000				500,000	40
41		Big Dog Ranch Rescue (SF 2738)			500,000	500,000				500,000	41
42		Conserving Urban Agriculture (SF 2155)			127,000	127,000				127,000	42
43		Expand Capacity of Clam Aquaculture Research (SF 3165)			500,000	500,000				500,000	43
44		Florida Agriculture Restoration and Biochar Initiative (SF 3567)			2,000,000	2,000,000				2,000,000	44
45		Florida Impact - The Florida Food Security Project (SF 2774)			317,000	317,000				317,000	45
46	4904007	Support for Food Banks								-	46
47		Closing the Kosher Meal Gap (SF 3389)			400,000	400,000				400,000	47
48		Chabad Mitzvah Kitchen (SF 1222)			350,000	350,000				350,000	48
49		Cutting Edge Ministries - Food Distribution Operations and Freezer Storage (SF 3701)			475,000	475,000				475,000	49
50		Stamp Out Hunger Food Drive (SF 2350)			350,000	350,000				350,000	50
51		Thrive Together (SF 3289)			300,000	300,000				300,000	51
52	4904030	Florida Children's Initiative (SF 2867)			500,000	500,000				500,000	52
53	4906600	Citrus Health Response Program							4,418,210	4,418,210	53
54	4908710	Citrus Research			200,000,000	150,000,000			4,500,000	204,500,000	54
55	4908745	Citrus Nursery and Packing Infrastructure			10,000,000	10,000,000				10,000,000	55
56	083622	Roads, Bridges, And Stream Crossing Maintenance - Division Of Forestry						11,356,878		11,356,878	56
57	083625	Statewide Agricultural Restoration Projects						20,000,000		20,000,000	57
58	083626	Reforestation						4,000,000		4,000,000	58
59	083643	Maintenance, Repairs And Construction - Statewide						4,675,000	2,853,051	7,528,051	59
60	083714	Code And Life Safety - Statewide			4,775,000	4,775,000				4,775,000	60
61	083781	Repair/Replacement/Renovations - Diagnostic Labs							469,330	469,330	61
62	140036	Fuel Transfer Switch Modernization			10,000,000	10,000,000				10,000,000	62
63	140043	Infrastructure Investment And Jobs Act Funding - Energy Programs							20,314,370	20,314,370	63
64	140085	Grants And Aids To Local Governments And Nonstate Entities - Fixed Capital Outlay							432,528	432,528	64
65	140173	Mote Marine- Florida Aquaculture Technology Development (SF 2072)			1,000,000	1,000,000				1,000,000	65
66	140230	Animal Facilities Desoto County Animal Control (SF3538)			175,000	175,000				175,000	66
67	145550	Aq Promotion Education Facilities-								-	67
68		Arcadia All Florida Championship Rodeo (SF 3781)			1,000,000	1,000,000				1,000,000	68
69		Citrus County Fair Association			1,000,000	1,000,000				1,000,000	69
70		Clay County FDACS Cattleman's Kitchen Event Center			3,500,000	3,500,000				3,500,000	70
71		Greater Jacksonville Agricultural Fair Association			1,750,000	1,750,000				1,750,000	71
72		Hardee County Fairgrounds			875,000	875,000				875,000	72
73		Jackson County School Board			453,400	453,400				453,400	73
74		Madison County Agricultural Complex			2,000,000	2,000,000				2,000,000	74
75		Manatee River Fair Association			1,009,652	1,009,652				1,009,652	75
76		Northeast Florida Fair Association			990,000	990,000				990,000	76
77		Polk County New Agri-Center & Equestrian Complex			3,000,000	3,000,000				3,000,000	77
78		Sarasota County Agricultural Fair Multi-Purpose Facility (SF 1660)			5,000,000	5,000,000				5,000,000	78
79		Volusia County Agriculture Center			1,000,000	1,000,000				1,000,000	79
80	146556	United States Department Of Energy Special Projects							1,800,000	1,800,000	80
81	<b>Total</b>	<b>AGRIC/CONSUMER SVCS/COMMR</b>	<b>227,799,383</b>	<b>3,845.25</b>	<b>530,589,871</b>	<b>249,520,548</b>	<b>406,285,145</b>	<b>1,806,830,929</b>	<b>2,743,705,945</b>		81
82		<b>CITRUS, DEPT OF</b>									82
83	1100001	<b>Startup (OPERATING)</b>	3,328,637	28.00	10,650,000				21,914,201	32,564,201	83
84	4400000	Increased Advertising Promotional Campaigns			5,000,000	5,000,000				5,000,000	84
85	4900010	Citrus Recovery Program			2,000,000	2,000,000				2,000,000	85
86	<b>Total</b>	<b>CITRUS, DEPT OF</b>	<b>3,328,637</b>	<b>28.00</b>	<b>17,650,000</b>	<b>7,000,000</b>	<b>-</b>	<b>21,914,201</b>	<b>39,564,201</b>		86

## Appropriations Committee on Agriculture, Environment, and General Government

		AEG Recommendations								
Row #	Issue Code	Issue Title	Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds	Row #
86		<b>ENVIR PROTECTION, DEPT OF</b>								86
87	1100001	<b>Startup (OPERATING)</b>	180,297,531	3,125.50	28,942,492		148,177,977	354,387,349	531,507,818	87
88	1100002	<b>Startup Recurring Fixed Capital Outlay (DEBT SERVICE/OTHER)</b>					335,035,421		335,035,421	88
89	1800480	Combine Office Of Emergency Response Budget Entity With Law Enforcement Budget Entity - Deduct		(23.00)				(18,106,530)	(18,106,530)	89
90	1800490	Combine Office Of Emergency Response Budget Entity With Law Enforcement Budget Entity - Add		23.00				18,106,530	18,106,530	90
91	2000130	Realign Funding Between Categories - Departmentwide - Deduct			(150,000)	(307,370)		(5,147,735)	(5,297,735)	91
92	2000140	Realign Funding Between Categories - Departmentwide - Add			150,000	307,370		5,147,735	5,297,735	92
93	2000320	Realign Positions Between Budget Entities - Deduct		(1.00)		(54,714)		(54,715)	(54,715)	93
94	2000330	Realign Positions Between Budget Entities - Add		1.00		54,714		54,715	54,715	94
95	20024C0	Realign Budget For Information Technology Services - Deduct						(450,000)	(450,000)	95
96	20025C0	Realign Budget For Information Technology Services - Add						450,000	450,000	96
97	2400450	Replacement Of Vessels						600,000	600,000	97
98	2401500	Replacement Of Motor Vehicles						3,409,000	3,409,000	98
99	2503080	Direct Billing For Administrative Hearings						(18,330)	(18,330)	99
100	3000190	Increase Staff - Office Of Emergency Response	56,880	1.00				107,748	107,748	100
101	3000270	Increased Workload - Water Restoration Assistance	57,465	1.00				103,768	103,768	101
102	33H2500	Operational Efficiency			(46,044)				(46,044)	102
103	33V1620	Vacant Position Reductions	(175,791)	(4.00)				(178,911)	(178,911)	103
104	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness						504,440	504,440	104
105	36312C0	Application Infrastructure Support Services - Technology And Information Services						244,562	244,562	105
106	36313C0	Strengthen Cybersecurity And Compliance - Technology And Information Services						11,069	11,069	106
107	4100145	Resilience Seafloor Mapping						5,000,000	5,000,000	107
108	4100210	Perry Wastewater Infrastructure Equipment (SF 1555)			595,677	595,677			595,677	108
109	4405040	Municipal Waste Reduction and Research Using Cerawave Microwave Plasma (SF 2074)			2,000,000	2,000,000			2,000,000	109
109	4500440	Water Quality Enhancement And Accountability			4,000,000	3,200,000			4,000,000	109
109	4500060	Monroe County Reef Protection			650,000	650,000			650,000	109
110	4500460	Deepwater Horizon Operations						750,000	750,000	110
111	4800230	Increase Grants And Aids - Local Hazardous Waste Collection - Waste Management						600,000	600,000	111
112	4900100	Increase In Rental Costs Associated With Leased Space			2,339		22,402	44,657	69,398	112
113	5300100	Water Management Districts - Land Management					6,887,210		6,887,210	113
114	5300200	Lake Restoration Study			5,000,000	5,000,000			5,000,000	114
115	5300210	Stock Island Landfill Study (SF 3789)			3,000,000	3,000,000			3,000,000	115
116	6500500	Increase Funding For Park Operating Costs						2,500,000	2,500,000	116
117	080039	State Park Facility Improvements						25,000,000	25,000,000	117
118	080524	Dry Cleaning Solvent Contaminated Site Cleanup						12,000,000	12,000,000	118
119	083643	Maintenance, Repairs And Construction - Statewide					3,000,000		3,000,000	119
120	084108	Land Acquisition, Environmentally Endangered, Unique/ Irreplaceable Lands, Statewide			35,000,000	35,000,000			35,000,000	120
121	084110	Working Waterfronts Program						2,000,000	2,000,000	121
122	084550	Ocklawaha River Rest			15,000,000	15,000,000			15,000,000	122
123	087125	Restore Act - Deepwater Horizon Oil Spill						19,401,250	19,401,250	123
124	087127	Natural Resource Damage Restoration - Final Restoration - Deepwater Horizon Oil Spill						3,000,000	3,000,000	124
125	087160	Land And Resource Management					10,000,000		10,000,000	125
126	087889	Petroleum Tanks Cleanup						40,000,000	40,000,000	126
127	088502	Hazardous Waste Contaminated Site Cleanup						14,000,000	14,000,000	127
128	089070	Debt Service						(65,225,730)	(65,225,730)	128
129	089080	Debt Service - Save Our Everglades Bonds						(15,933,478)	(15,933,478)	129
130	140001	Federal Land And Water Conservation Fund Grants						15,000,000	15,000,000	130
131	140061	Florida Coastal Zone Management Program						1,440,443	1,440,443	131
132	140065	Flooding And Sea Level Rise Resilience Plan - Statewide						100,000,000	100,000,000	132
133	140076	Grants And Aid - Non-Point Source (NPS) Management Planning Grants			5,000,000	5,000,000		9,500,000	14,500,000	133
134	140078	Resilient Florida Planning Grants						20,000,000	20,000,000	134
135	140047	Water Projects			151,921,566	151,921,566			151,921,566	135
136	140122	Clean Marina						200,000	200,000	136
137	140126	Beach Projects - Statewide					14,141,067		14,141,067	137
138	140134	Solid Waste Management						3,000,000	3,000,000	138
133	140142	Pinellas Preserve LLC Preservation Land Acquisition (SF 3608)			300,000	300,000			300,000	133
134	140178	Harbour Island Shoreline Restoration and Stabilization (SF 2900)			500,000	500,000			500,000	134
135	140185	National Recreational Trail Grants						3,000,000	3,000,000	135
136	140694	Local Parks								136
137		<i>Hardee County - Hardee Lakes Park Critical Water Quality Infrastructure and Utility Improvements (SF 3559)</i>			4,000,000	4,000,000			4,000,000	137
138		<i>Peace River Botanical &amp; Sculpture Gardens (SF 3533)</i>			100,000	100,000			100,000	138
139		<i>Wauchula - Community Court Park (SF 3550)</i>			2,000,000	2,000,000			2,000,000	139
140		<i>Wauchula Farr Field Park Improvements Phase 2 (SF 3546)</i>			3,500,000	3,500,000			3,500,000	140
141		<i>Wauchula Oak Street Park Public Restroom Improvements (SF 3565)</i>			500,000	500,000			500,000	141
142		<i>St. Cloud Safety Alerting System for Local Parks (SF 1599)</i>			116,270	116,270			116,270	142
143		<i>Clay County Moccasin Slough Construction (SF 3085)</i>			750,000	750,000			750,000	143
144		<i>Wekiva Youth Camp Swimming Pool Refinishing Project (SF 2643)</i>			70,000	70,000			70,000	144
145		<i>Jacksonville - Shipyards West Riverwalk (SF 3317)</i>			2,000,000	2,000,000			2,000,000	145
146		<i>Jupiter Athletic Field Repairs and Restoration (SF 2097)</i>			700,000	700,000			700,000	146
147		<i>Girl Scouts of Southeast Florida Camp Welaka Revitalization (SF 2045)</i>			750,000	750,000			750,000	147
148		<i>Parkland Special Needs Accommodations at Pine Trails Park (SF 1298)</i>			500,000	500,000			500,000	148
149		<i>Sneads Regional Sport Lighting Recovery (SF 3126)</i>			400,000	400,000			400,000	149
150		<i>Lake County Neighborhood Lakes Gateway Center (SF 1918)</i>			400,000	400,000			400,000	150
151		<i>Palmetto 14th Ave West Recreational Area (SF 3720)</i>			750,000	750,000			750,000	151
152		<i>Lakeland - Se7en Wetlands Water Education Center - Exhibits (SF 2337)</i>			115,000	115,000			115,000	152
153		<i>West Miami Senior Recreation Development Initiative (SF 1754)</i>			600,000	600,000			600,000	153
154	140895	Grants And Aids - Innovative Technologies			10,000,000	10,000,000			10,000,000	154
155	141109	Grants And Aids - Apalachicola Bay Area Of Critical State Concern			5,000,000	5,000,000			5,000,000	155
156	141111	Grants And Aids - Water First North Florida			20,000,000	20,000,000			20,000,000	156
157	141115	Grants And Aids - Florida Keys Area Of Critical State Concern			20,000,000	20,000,000			20,000,000	157
158	141118	Northern Everglades And Estuaries Protection					34,700,000		34,700,000	158

## Appropriations Committee on Agriculture, Environment, and General Government

Row #	Issue Code	Issue Title	AEG Recommendations							Row #
			Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds	
159	141122	G/A-C-51 Reservoir Implmnt			44,500,000	44,500,000		30,500,000	75,000,000	159
160	141132	Grants And Aids - Reef Protection And Tire Abatement						7,000,000	7,000,000	160
161	141138	Grants And Aids - Alternative Water Supply			50,000,000	50,000,000			50,000,000	161
162	141150	Everglades Restoration					(64,000,000)		(64,000,000)	162
163	141157	Everglades Restoration - Comprehensive Everglades Restoration Plan (CERP) - Central Everglades Planning Project (CEPP) EAA			15,112,889	15,112,889	349,858,933		364,971,822	163
164	141156	Everglades Restoration - Comprehensive Everglades Restoration Plan (CERP) - Central Everglades Planning Project (CEPP) North			70,435,980	70,435,980			70,435,980	164
165	141155	Everglades Restoration - Comprehensive Everglades Restoration Plan (CERP) - Central Everglades Planning Project (CEPP) South			15,000,000	15,000,000			15,000,000	165
166	141159	Everglades Restoration - Western Everglades Restoration Project (WERP)			58,592,198	58,592,198			58,592,198	166
167	141162	Everglades Restoration - Cerp - Lands, Easements, Right Of Ways, Relocations, And Disposals (LERRDS)			5,000,000	5,000,000			5,000,000	167
168	141163	Everglades Restoration - Lower Kissimmee Basin Stormwater Treatment Area			100,000,000	100,000,000			100,000,000	168
169	141179	Bowling Green Utility and Stormwater Maintenance - Vacuum Truck (SF 3570)			475,000	475,000			475,000	169
170	141179	Wauchula Mechanical Street Sweeper (SF 3549)			500,000	500,000			500,000	170
171	141179	Port Richey VACTOR Truck for Utility Department (SF 1825)			650,000	650,000			650,000	171
172	143276	Small County Wastewater Treatment Grants						8,000,000	8,000,000	172
173	143276	Sand and Grit			800,000				800,000	173
174	143276	Utility Mapping of Public Utilities			1,920,000				1,920,000	174
175	143278	Grants And Aids - Sewer Overflow And Stormwater Reuse Municipal Grants (OSG) Program						1,244,286	1,244,286	175
176	146081	Grants And Aids - Harmful Algal Blooms Management			5,000,000	5,000,000			5,000,000	176
177	146095	Grants And Aids-Sjrwmd - Taylor Creek Reservoir Water Supply Project			25,000,000	25,000,000			25,000,000	177
178	146097	Grants And Aids - Water Management District - Doctors Lake Nutrient Removal Project			5,000,000	5,000,000			5,000,000	178
179	149950	Grants And Aid - Wastewater Grant Program						125,000,000	125,000,000	179
180	149951	Grants And Aids - State Revolving Loan Program Assistance						1,500,000	1,500,000	180
181	149953	Drinking Water - Emerging Contaminants						28,424,000	28,424,000	181
182	149954	Wastewater - Emerging Contaminants						7,550,000	7,550,000	182
183	<b>Total</b>	<b>ENVIR PROTECTION, DEPT OF</b>	<b>180,236,085</b>	<b>3,123.50</b>	<b>722,103,367</b>	<b>689,684,580</b>	<b>756,663,802</b>	<b>844,825,331</b>	<b>2,323,592,500</b>	183
184										184
185		<b>FISH/WILDLIFE CONSERV COMM</b>								185
186	<b>1100001</b>	<b>Startup (OPERATING)</b>	<b>144,248,759</b>	<b>2,158.50</b>	<b>90,625,597</b>		<b>121,976,300</b>	<b>239,864,179</b>	<b>452,466,076</b>	186
187	1805600	Transfer One Full Time Equivalent From Fish And Wildlife Research Institute To Division Of Marine Fisheries Management - Deduct	(58,005)	(1.00)	(88,268)				(88,268)	187
188	1806600	Transfer One Full Time Equivalent From Fish And Wildlife Research Institute To Division Of Marine Fisheries Management - Add	58,005	1.00	88,268				88,268	188
189	1806810	Transfer Of Positions And Funding From Fish And Wildlife Research Institute To Office Of Executive Direction - Deduct	(538,639)	(10.00)	(68,248)			(884,188)	(952,436)	189
190	1806820	Transfer Of Positions And Funding From Fish And Wildlife Research Institute To Office Of Executive Direction - Add	538,639	10.00	68,248			884,188	952,436	190
191	1806830	Transfer One Full Time Equivalent From Division of Law Enforcement To Office of Executive Direction and Support Services - Deduct	(34,984)	(1.00)				(60,147)	(60,147)	191
192	1806600	Transfer One Full Time Equivalent From Division of Law Enforcement To Office of Executive Direction and Support Services - Add	34,984	1.00				60,147	60,147	192
193	1806850	Transfer One Full Time Equivalent From Division of Hunting and Game Management to Office of Executive Direction and Support Services - Deduct	(40,321)	(1.00)				(66,751)	(66,751)	193
194	1806860	Transfer One Full Time Equivalent From Division of Hunting and Game Management to Office of Executive Direction and Support Services - Add	40,321	1.00				66,751	66,751	194
195	2001080	Realignment Of Other Personal Services Funding In Office Of Executive Direction - Deduct						(500,000)	(500,000)	195
196	2001090	Realignment Of Other Personal Services Funding In Office Of Executive Direction - Add						500,000	500,000	196
197	2401500	Replacement Of Motor Vehicles						2,465,000	2,465,000	197
198	2402500	Replacement Equipment - Boats, Motors, And Trailers			1,000,000	1,000,000		395,750	1,395,750	198
199	2402640	Acquisition Of Grant-Funded Equipment						667,200	667,200	199
200	2403000	Replacement Of Patrol Vehicles			3,000,000	3,000,000			3,000,000	200
201	2503080	Direct Billing For Administrative Hearings						31,693	31,693	201
202	33H2500	Operational Efficiency						(56,000)	(56,000)	202
203	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness			543,685	543,685			543,685	203
204	36346C0	Law Enforcement Network Bandwidth Expansion			216,000				216,000	204
205	4002100	Florida Bass Conservation Center Specialist					83,187		83,187	205
206	4200100	Florida Youth Conservation Centers Network Camper Registrations						150,000	150,000	206
207	4300100	Wild Turkey Management Program Enhancement						300,000	300,000	207
208	4400210	Combatting Burmese Pythons			2,000,000	2,000,000			2,000,000	208
209	4400760	Invasive Plant Control And Critical Habitat Restoration			5,300,000	5,300,000		4,200,000	9,500,000	209
210	4402340	Captive Wildlife Grant Program			2,000,000	2,000,000			2,000,000	210
211	4501000	Implementing The Wildlife Corridor - Management On Wildlife Management Area Additions			10,000,000	10,000,000			10,000,000	211
212	5000420	Enhanced Marine Fish Management			665,000	665,000		2,774,243	3,439,243	212
213	51R0010	Increase Salary Rate for Law Enforcement	2,000,000							213
214	6502000	Law Enforcement Operations			3,000,000	3,000,000			3,000,000	214
215	6502060	Enhanced Law Enforcement Operational Effectiveness			1,000,000	1,000,000			1,000,000	215
216	6505300	Boat Ramp Maintenance Field Crew			306,754	306,754			306,754	216
217	7001200	Oyster Restoration And Monitoring In Apalachicola And The Big Bend						937,569	937,569	217
218	8104300	Cooperative Endangered Species Conservation Fund Grant Projects						250,000	250,000	218
219	8104400	Wildlife Restoration Grant Projects						5,000,000	5,000,000	219
220	8106100	Grant-Funded Deepwater Horizon Resource Damage Restoration Projects						5,202,745	5,202,745	220
221	080064	Derelict Vessel Removal Program			2,600,000	2,600,000			2,600,000	221
222	080956	Facilities Repairs And Maintenance						175,000	175,000	222
223	083654	Natural Resource Damage Restoration - Deepwater Horizon Oil Spill						1,000,000	1,000,000	223

## Appropriations Committee on Agriculture, Environment, and General Government

Row #	Issue Code	Issue Title	AEG Recommendations							Row #
			Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds	
224	084030	Oyster Restoration And Recovery			15,000,000	15,000,000			15,000,000	224
225	084190	Fish And Wildlife Research Institute Wildlife Research Lab			250,000	250,000			250,000	225
226	084362	Blackwater Fisheries Research And Development Center Renovation					3,000,000		3,000,000	226
227	084370	Shooting Sports Facilities Maintenance, Repairs, And Construction						8,000,000	8,000,000	227
228	087126	National Fish And Wildlife Foundation - Deepwater Horizon Oil Spill						2,082,000	2,082,000	228
229	140004	Artificial Fishing Reef Construction Program			5,300,000	5,300,000		300,000	5,600,000	229
225	145005	ZooTampa - Expanding Endangered Florida Wildlife Conservation (SF 3319)			1,945,000	1,945,000			1,945,000	225
226	145005	Florida Wildlife Interactive Education Center (SF 3532)			14,000,000	14,000,000			14,000,000	226
227	140060	Derelict Vessel Removal Program						2,400,000	2,400,000	227
228	145005	Peace River Wildlife Center New Education Center (SF 3672)			500,000	500,000			500,000	228
229	140069	Melbourne Pineapple Peir Restoration (SF 1178)			150,000	150,000			150,000	229
230	140071	Indialantic Riverside Park Fishing Pier (SF 1127)			450,000	450,000			450,000	230
231	145005	Coastal Conservation Association FL Mariculture Center (SF 1073)			750,000	750,000			750,000	231
232	145005	Undersea Human Presence and Technology Advancement Program (SF 3658)			350,000	350,000			350,000	232
233	140270	Florida Boating Improvement Program						8,033,844	8,033,844	233
234	145005	Hubbs-Seaworld Research Institute Community Partnerships to Rebuild Florida's Fisheries (SF 2408)			997,231	997,231			997,231	234
235	145005	Central Florida Zoological Society, Inc. 50th Anniversary Modernization Project (SF 1417)			750,000	750,000			750,000	235
236	140860	Glades County Indian Prairie Boat Ramp Improvements (SF 3345)			2,000,000	2,000,000			2,000,000	236
237	141113	Grants And Aids - Final Natural Resource Damage Restoration - Deepwater Horizon Oil Spill - Fixed Capital Outlay						1,600,000	1,600,000	237
238	<b>Total</b>	<b>FISH/WILDLIFE CONSERV COMM</b>	<b>146,248,759</b>	<b>2,158.50</b>	<b>164,699,267</b>	<b>73,857,670</b>	<b>125,059,487</b>	<b>285,773,223</b>	<b>575,531,977</b>	<b>238</b>
239										239
240		<b>DEPARTMENT OF BUSINESS &amp; PROFESSIONAL REGULATION</b>								240
241	<b>1100001</b>	<b>Startup (OPERATING)</b>	<b>92,657,283</b>	<b>1,649.25</b>	<b>6,774,597</b>			<b>294,412,557</b>	<b>301,187,154</b>	<b>241</b>
242	1800220	Transfer FTE From Compliance And Enforcement To Executive Direction To Analyze Data And Create Process Improvements - Deduct	(65,000)	(1.00)				(104,775)	(104,775)	242
243	1800230	Transfer FTE From Compliance And Enforcement To Executive Direction To Analyze Data And Create Process Improvements - Add	65,000	1.00				104,775	104,775	243
244	2401500	Replacement Of Motor Vehicles						172,095	172,095	244
245	2402400	Additional Equipment - Motor Vehicles						226,911	226,911	245
246	2500500	Increase In Attorney General Contract For Professional Regulation						16,902	16,902	246
247	2503080	Direct Billing For Administrative Hearings						(59,765)	(59,765)	247
248	3001450	Other Personal Services (OPS) Staff For Application Processing In The Bureau Of Licensing - Division Of Alcoholic Beverages And Tobacco						392,120	392,120	248
249	33V0290	Reduce Expenses In Agency Services - Box Truck Cost Savings						(9,766)	(9,766)	249
250	33V0330	Reduce Contracted Services In Hotel And Restaurants						(6,051)	(6,051)	250
251	33V1620	Vacant Position Reductions	(47,851)	(1.00)				(47,851)	(47,851)	251
252	33V2060	Reduce Staff In Division Of Professions	(14,140)	(1.00)				(34,894)	(34,894)	252
253	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness						500,000	500,000	253
254	36265C0	Customer Experience Modernization						1,300,000	1,300,000	254
255	4001000	Additional Other Personnel Resources Needed Due to Deployment						32,653	32,653	255
256	4007320	Increased Operating Cost For New And Existing Leased Space - Alcoholic Beverages And Tobacco						138,642	138,642	256
257	4007330	Increased Operating Cost For New And Existing Leased Space - Hotel And Restaurants						198,862	198,862	257
258	4007510	Expenses - Division Of Farm And Child						35,000	35,000	258
259	<b>Total</b>	<b>DEPARTMENT OF BUSINESS &amp; PROFESSIONAL REGULATION</b>	<b>92,595,292</b>	<b>1,647.25</b>	<b>6,774,597</b>	<b>-</b>	<b>-</b>	<b>297,267,415</b>	<b>304,042,012</b>	<b>259</b>
260										260
261		<b>FL GAMING CONTROL COMM</b>								261
262	<b>1100001</b>	<b>Startup (OPERATING)</b>	<b>13,650,032</b>	<b>197.00</b>				<b>32,378,903</b>	<b>32,378,903</b>	<b>262</b>
263	1800090	Transfer Position And Funding From Pari Mutuel Wagering To Gaming Enforcement - Add		1.00				61,167	61,167	263
264	1800100	Transfer Position And Funding From Pari Mutuel Wagering To Gaming Enforcement - Deduct		(1.00)				(61,167)	(61,167)	264
265	2000150	Realignment Of Budget Authority From Pari-Mutuel To Gaming Enforcement Maintenance Of Motor Vehicles - Add						10,000	10,000	265
266	2000160	Realignment Of Budget Authority From Pari-Mutuel To Gaming Enforcement Maintenance Of Motor Vehicles - Deduct						(10,000)	(10,000)	266
267	2503080	Direct Billing For Administrative Hearings						102	102	267
268	3000700	Combating Illegal Gambling - New Law Enforcement Squads For Northern And Central Regions	982,704	13.00				3,295,972	3,295,972	268
269	33H2500	Operational Efficiency						(184,772)	(184,772)	269
270	33H4000	Base Budget Reduction						(8,194)	(8,194)	270
271	33V1620	Vacant Position Reductions	(38,264)	(1.00)				(38,264)	(38,264)	271
272	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness						7,809	7,809	272
273	36003C0	Modern Licensing And Enforcement System To Enhance Efficiencies						4,500,000	4,500,000	273
274	4200010	Contracted Legal Services						500,000	500,000	274
275	45001C0	Strategic Analytical Software To Support Law Enforcement						31,712	31,712	275
276	<b>Total</b>	<b>FL GAMING CONTROL COMM</b>	<b>14,594,472</b>	<b>209.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,483,268</b>	<b>40,483,268</b>	<b>276</b>
277										277
278		<b>DEPARTMENT OF FINANCIAL SERVICES</b>								278
279	<b>1100001</b>	<b>Startup (OPERATING)</b>	<b>134,858,202</b>	<b>1,967.50</b>	<b>32,746,727</b>			<b>364,549,460</b>	<b>397,296,187</b>	<b>279</b>
280	1600080	Re-approval of Additional Authority for Division of Unclaimed Property						560,000	560,000	280
281	160F690	Re-approval of Five-percent transfer to Rehabilitation and Liquidation - Deduct						(5,000)	(5,000)	281
282	160F700	Re-approval of Five-percent transfer to Rehabilitation and Liquidation - Add						5,000	5,000	282
283	1800180	Transfer Position(S) And Funding To Realign Criminal Investigations Division-Deduct	(361,957)	(5.00)				(634,994)	(634,994)	283

## Appropriations Committee on Agriculture, Environment, and General Government

Row #	Issue Code	Issue Title	AEG Recommendations							Row #	
			Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds		
284	1800190	Transfer Position(S) And Funding To Realign Criminal Investigations Division-Add	361,957	5.00					634,994	634,994	284
285	1800240	Transfer Health & Safety Section Within State Fire Marshal - Deduct	(204,830)	(5.00)					(374,702)	(374,702)	285
286	1800250	Transfer Health & Safety Section Within State Fire Marshal - Add	204,830	5.00					374,702	374,702	286
287	2000710	Realign Position(S) And Funding From Workers Compensation To Criminal Investigations Division - Deduct	(42,562)	(1.00)					(69,833)	(69,833)	287
288	2000720	Realign Position(S) And Funding From Workers Compensation To Criminal Investigations Division - Add	42,562	1.00					69,833	69,833	288
289	2000730	Transfer Of Position(S) And Funding From Workers Compensation To State Fire Marshal- Deduct	(42,562)	(1.00)					(69,833)	(69,833)	289
290	2000740	Transfer Of Position(S) And Funding From Workers Compensation To State Fire Marshal- Add	42,562	1.00					69,833	69,833	290
291	24010C0	Information Technology Infrastructure Replacement							402,100	402,100	291
292	2401090	Fire And Arson Equipment - Raman Detectors							168,000	168,000	292
293	2503080	Direct Billing For Administrative Hearings							(68,078)	(68,078)	293
294	3000040	Increased Staffing Required For Florida PALM (Planning, Accounting, And Ledger Management) Go-Live In Executive Direction And Support Svcs	471,244	8.00					827,054	827,054	294
295	3000280	Additional Staffing For Division Of Unclaimed Property To Address Increased Workload	45,423	1.00					125,166	125,166	295
296	33V1150	Eliminate Excess Insurance Coverage							(14,052,500)	(14,052,500)	296
297	33V1620	Vacant Position Reductions	(759,336)	(17.00)					(759,336)	(759,336)	297
298	3306000	Reduce Excess Budget Authority	(30,687)						(30,687)	(30,687)	298
299	3400130	Fund Shift General Revenue to Insurance Regulatory Trust Fund - Deduct				(32,746,727)				(32,746,727)	299
300	3400140	Fund Shift General Revenue to Insurance Regulatory Trust Fund - Add							32,746,727	32,746,727	300
301	3400430	Fund Shift From Workers Compensation Special Disability Trust Fund To Insurance Regulatory Trust Fund - Deduct							(139,666)	(139,666)	301
302	3400440	Fund Shift From Workers Compensation Special Disability Trust Fund To Insurance Regulatory Trust Fund - Add							139,666	139,666	302
303	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness							1,921,427	1,921,427	303
304	36105C0	Flair Replacement							39,040,586	39,040,586	304
305	36110C0	Coverage Plan For Maintaining Flair							1,283,040	1,283,040	305
306	36211C0	Information Technology Contractual Price Increases							708,206	708,206	306
307	36219C0	Customer Relationship Management (CRM) Replacement							1,810,960	1,810,960	307
308	36235C0	Public Assistance Fraud Software							2,000,000	2,000,000	308
309	36337C0	Division Of Rehabilitation And Liquidation Claims System							4,471,428	4,471,428	309
310	36385C0	Outsourcing Call Services For Division Of Unclaimed Property							874,000	874,000	310
311	4000A50	Division Of Workers Compensation - Market Pay Adjustment	197,239						240,000	240,000	311
312	4000055	Veteran / First Responder Electroencephalogram Pilot Program			10,000,000	10,000,000				10,000,000	312
313	4000080	University of Miami - Firefighter Cancer Research			3,500,000	3,500,000				3,500,000	313
314	4000100	Settlement For Relator Agreements							3,000,000	3,000,000	314
315	4000210	Grants and Aids - Local Government Fire Services									315
316		Almarante Fire District Pumper (SF 2833)			554,800	554,800				554,800	316
317		Broward County Sheriff's Office Fire Rescue Safety and Prevention Program (SF 2734)			671,320	671,320				671,320	317
318		Cooper City Fire Rescue Critical Care Transport Vehicle (SF 1395)			600,000	600,000				600,000	318
319		Dellwood VFD Critical Fire Apparatus (SF 3212)			524,700	524,700				524,700	319
320		DeSoto County Fire Ladder Truck (SF 3540)						1,000,000		1,000,000	320
321		Dunedin High Water Rescue Vehicle (SF 3516)						200,000		200,000	321
322		Franklin County - Alligator Point Volunteer Fire Department Fire Truck (SF 3170)			624,791	624,791				624,791	322
323		Franklin County - St. George Island Ladder Truck Down Payment (SF 1497)						1,000,000		1,000,000	323
324		Holt Fire District Pumper/Tanker (SF 3655)			489,000	489,000				489,000	324
325		Lafayette County Fire Equipment Upgrade (SF 1484)			550,000	550,000				550,000	325
326		Liberty County Commercial Fire Tanker (SF 1493)			549,900	549,900				549,900	326
327		Mental Health Services for Police Officers and Firefighters (SF 2783)			250,000	250,000				250,000	327
328		Miami-Dade Fire Rescue All Hazards Emergency Support Trailer (SF 1785)			300,000	300,000				300,000	328
329		Overstreet Fire Department Fire Tanker (SF 1457)						600,000		600,000	329
330		Palm Beach County Fire Rescue Water Vessels for Hazard Mitigation (SF 1051)			200,000	200,000				200,000	330
331		Pasco County Board of County Commissioners- Fire Rescue Department- Decon 2 (SF 1719)			600,000	600,000				600,000	331
332		Responders First Wellness Program (SF 3277)			55,000	55,000				55,000	332
333		Southwest Ranches Fire Truck (SF 1066)						536,215		536,215	333
334		Tamarac Aerial Ladder Fire Truck (SF 2133)			900,000	900,000				900,000	334
335		West Palm Beach Fire Department Hazardous Materials Emergency Response Package (SF 2378)			163,275	163,275				163,275	335
336	4000580	Grants and Aids - Financial Literacy Program for People at Risk			100,000	100,000				100,000	336
337	40013C0	Realign Department It Budget Authority For Efficiencies - Deduct							(15,000)	(15,000)	337
338	40014C0	Realign Department It Budget Authority For Efficiencies - Add							15,000	15,000	338
339	990G000	Grants and Aids - Fixed Capital Outlay									339
340		Baker County Fire Rescue Ambulance Purchase (SF 3093)			400,000	400,000				400,000	340
341		Bartow New Central Fire Station Headquarters and Training Facility (SF 3575)			4,000,000	4,000,000				4,000,000	341
342		Blackman Fire Resilience and Readiness Expansion (SF 3603)			150,000	150,000				150,000	342
343		Charlotte County Fire Training Tower (SF 3674)						2,000,000		2,000,000	343
344		Clewiston Volunteer Firefighter Training Tower and Equipment (SF 3192)			1,800,000	1,800,000				1,800,000	344
345		Deerfield Beach Fire Station 4 Rehabilitation Project (SF 1065)			500,000	500,000				500,000	345
346		Fanning Springs Fire Station Design and Permitting (SF 2940)			400,000	400,000				400,000	346
347		Fort Myers - Fire Station 18 (SF 2844)			750,000	750,000				750,000	347
348		Hardee County - Fire Station #2 (SF 3561)			7,000,000	7,000,000				7,000,000	348
349		Hardee County Fire Station #1 Training Tower (SF 3557)						2,500,000		2,500,000	349
350		Hendry County Public Safety Station (SF 3044)						3,500,000		3,500,000	350
351		Hernando County Public Safety Training Center (SF 3284)						1,000,000		1,000,000	351
352		Highlands County Lake Placid Fire Station (SF 3286)						2,500,000		2,500,000	352
353		Hillsborough County Fire Rescue Fallen Firefighter Memorial (SF 2302)			675,000	675,000				675,000	353
354		Jackson County - Fire Rescue Station Hardening (SF 3142)						1,000,000		1,000,000	354

**Appropriations Committee on Agriculture, Environment, and General Government**

		AEG Recommendations								
Row #	Issue Code	Issue Title	Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds	Row #
355		Madeira Beach Fire Department Emergency Operations Center and Training Facility (SF 2493)						1,500,000	1,500,000	355
356		Melbourne Fire Department Training Center Replacement (SF 1041)			750,000	750,000			750,000	356
357		Melbourne Fire Station Alerting System (SF 1042)			300,000	300,000			300,000	357
358		North Auburndale Fire Rescue Station #2 (SF 2320)			500,000	500,000			500,000	358
359		Orange City Municipal Government - Fire Station Hurricane Rated Facility (SF 2407)			450,000	450,000			450,000	359
360		Oviedo Public Safety Training Center (SF 1247)			500,000	500,000			500,000	360
361		Palm Bay Fire Station 8 (St. John's Preserve) (SF 1409)						1,000,000	1,000,000	361
362		Perry Fire Hydrant Replacement (SF 1557)			792,000	792,000			792,000	362
363		Port St. Joe Public Safety Complex (SF 3744)			1,000,000	1,000,000			1,000,000	363
364		Safety Harbor Firefighter Safety & Infrastructure Resiliency Project (SF 1722)						1,279,900	1,279,900	364
365		Southwest Ranches Fire Station (SF 1067)			450,000	450,000			450,000	365
366		St. Augustine Design, Construction of Resilient Structure on Anastasia Blvd Phase II (SF 2524)			1,000,000	1,000,000			1,000,000	366
367		Suwannee County Fire Station (SF 1482)			750,000	750,000			750,000	367
368		Union County Fire Rescue Station (SF 3075)			250,000	250,000			250,000	368
369		<b>Total DEPARTMENT OF FINANCIAL SERVICES</b>	<b>134,782,085</b>	<b>1,959.50</b>	<b>43,049,786</b>	<b>43,049,786</b>	<b>-</b>	<b>459,433,668</b>	<b>502,483,454</b>	<b>369</b>
370										370
371		<b>OFFICE OF INSURANCE REGULATION</b>								371
372	1100001	<b>Startup (OPERATING)</b>	<b>24,539,725</b>	<b>314.00</b>				<b>49,553,031</b>	<b>49,553,031</b>	<b>372</b>
373	3002100	Office Of Insurance Regulation - Additional Staffing To Protect Consumers And Promote Market Stability	1,392,780	19.00				2,241,714	2,241,714	373
374	33V1620	Vacant Position Reductions	(580,609)	(12.00)				(580,609)	(580,609)	374
375	36281C0	Office Of Insurance Regulation- Staff Augmentation And Data Migration						633,000	633,000	375
376	4000940	Office Of Insurance Regulation- Legacy Workspace Renovations To Enhance Efficiencies						2,200,000	2,200,000	376
377		<b>Total OFFICE OF INSURANCE REGULATION</b>	<b>25,351,896</b>	<b>321.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,047,136</b>	<b>54,047,136</b>	<b>377</b>
378										378
379		<b>OFFICE OF FINANCIAL REGULATION</b>								379
380	1100001	<b>Startup (OPERATING)</b>	<b>29,298,594</b>	<b>353.00</b>				<b>55,610,688</b>	<b>55,610,688</b>	<b>380</b>
381	2401500	Replacement Of Motor Vehicles						35,000	35,000	381
382	3007030	Office Of Financial Regulation - Implement - Hb 999 Legal Tender	437,638	5.00				682,942	682,942	382
383	3007040	Office Of Financial Regulation - Address Increased Workload For Securities Industry Registration And Examination	656,280	10.00				1,417,165	1,417,165	383
384	33H2500	Operational Efficiency						(1,889,000)	(1,889,000)	384
385	33V0530	Office Of Financial Regulation - Reduce Expense Due To Efficiencies						(70,000)	(70,000)	385
386	4900050	Office Of Financial Regulation - Office Of General Counsel Ops - Subject Matter Expert For Litigation Assistance						99,699	99,699	386
387	4901A40	Office Of Financial Regulation - Reclass Examination Positions - Division Of Consumer Finance Bureau Of Enforcement	143,055					174,068	174,068	387
388		<b>Total OFFICE OF FINANCIAL REGULATION</b>	<b>30,535,567</b>	<b>368.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,060,562</b>	<b>56,060,562</b>	<b>388</b>
389										389
390		<b>DEPARTMENT OF THE LOTTERY</b>								390
391	1100001	<b>Startup (OPERATING)</b>	<b>25,443,157</b>	<b>437.00</b>				<b>235,872,940</b>	<b>235,872,940</b>	<b>391</b>
392	3007410	Additional Sales Representative Fte For Increased Retailer Engagement To Increase Revenue And Transfers To Education	198,370	5.00				724,170	724,170	392
393	3007640	Support Strategic Marketing Goals By Converting Ops To Spanish Copywriter/Proofreader Fte	55,000	1.00				103,094	103,094	393
394	33H2500	Operational Efficiency						(132,000)	(132,000)	394
395	3301130	Reduce Waste Disposal Costs						(2,000)	(2,000)	395
396	3301340	Reduction To Lease Or Lease Purchase Of Equipment Appropriation						(45,000)	(45,000)	396
397	3302440	Eliminate Funding For LinkedIn Learning Online Training Resource						(35,000)	(35,000)	397
398	36242C0	Strengthen And Enhance Information Resource Operations And Capacity With Targeted Technical Fte Additions	485,000	5.00				697,396	697,396	398
399	36245C0	Increase Contracted Services For Security Needs						168,000	168,000	399
400	4100500	Increase Operating Costs						332,071	332,071	400
401	5000110	Increase To Instant Ticket Purchase Appropriation						1,388,361	1,388,361	401
402	5000230	Increase To Gaming System Contract						2,262,078	2,262,078	402
403	5000530	Ensure System Operational Resilience Through Backup Battery Support						79,554	79,554	403
404	5000800	Increase For Leases						261,948	261,948	404
405		<b>Total DEPARTMENT OF THE LOTTERY</b>	<b>26,181,527</b>	<b>448.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>241,675,612</b>	<b>241,675,612</b>	<b>405</b>
406										406
407		<b>DEPARTMENT OF MANAGEMENT SERVICES</b>								407
408	1100001	<b>Startup (OPERATING)</b>	<b>69,296,621</b>	<b>1,014.50</b>	<b>66,487,800</b>			<b>601,665,345</b>	<b>668,153,145</b>	<b>408</b>
409	1100002	<b>Startup Recurring Fixed Capital Outlay (DEBT SERVICE/OTHER)</b>						<b>20,729,745</b>	<b>20,729,745</b>	<b>409</b>
410	1800200	Realign Budget Authority For Fleet Management - Deduct						(949,565)	(949,565)	410
411	1800210	Realign Budget Authority For Fleet Management - Add						949,565	949,565	411
412	1800530	Transfer Positions And Budget From The Office Of Supplier Development To State Purchasing - Add	114,547	3.00				275,617	275,617	412
413	1800540	Transfer Positions And Budget From The Office Of Supplier Development To State Purchasing - Deduct	(114,547)	(3.00)				(275,617)	(275,617)	413
414	2503080	Direct Billing For Administrative Hearings			192,817			10,836	203,653	414
415	3000120	Increase Administrative Services Only Contract For Health Insurance						999,000	999,000	415
416	3000960	Additional Resources For The Public Employees Relations Commission	108,416	2.00				197,423	197,423	416
417	3000980	Increase To Other Personal Services For The Public Employees Relations Commission						50,000	50,000	417
418	3000990	Additional Resources For The Public Employees Relations Commission - Increased Court Reporting And Election Mailout Support						502,250	502,250	418
419	30010C0	Increase Workload For Data Center To Support An Agency			41,565			742,135	783,700	419
420	33H2500	Operational Efficiency	(154,127)	(3.00)				(909,515)	(909,515)	420
421	3306010	Reduce Excess Budget Authority For 911 Distributions To Counties						(3,700,000)	(3,700,000)	421
422	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness			2,630,000	2,630,000		750,000	3,380,000	422
423	36121C0	Control Device Refresh - Florida Facilities Pool			3,000,000	3,000,000			3,000,000	423
424	36150C0	People First Security And Cybersecurity Enhancement						875,560	875,560	424

## Appropriations Committee on Agriculture, Environment, and General Government

		AEG Recommendations								
Row #	Issue Code	Issue Title	Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds	Row #
425	36210CO	Increase To Cybersecurity Resiliency - Public Employees Relations Commission			40,000				40,000	425
426	36328CO	Integrated Retirement Information System - Data Center Legacy Hardware And Operations						90,000	90,000	426
427	36334CO	Fleet Management Information System						139,390	139,390	427
428	4000070	Increase Payment Of Employer's Contribution To Health Savings Account						1,123,500	1,123,500	428
429	4000600	Washington County Sheriff's Office Public Safety Communications Tower Upgrades (SF 3227)			750,000	750,000			750,000	429
430	4000600	Lakeland Public Safety Radio Replacement (SF 2318)			500,000	500,000			500,000	430
431	40020CO	Florida Digital Service It Apprenticeship Development Program To Create Talent Pipeline			144,000	144,000			144,000	431
432	40049CO	State And Local Cybersecurity Grant Program						1,000,000	1,000,000	432
433	40070CO	State Cybersecurity Risk Assessment			2,000,000	2,000,000			2,000,000	433
434	4100300	Additional Funding In Contracted Services						550,000	550,000	434
435	4100360	Increase In Facilities Security						100,000	100,000	435
436	4100370	Centrex And Suncom Category Increase						17,387,695	17,387,695	436
437	41007CO	Myfloridamarketplace						550,049	550,049	437
438	41011CO	People First Additional Resources For Florida College System Integration			1,500,000				1,500,000	438
439	4102000	Increase State Utility Payments Category						1,100,000	1,100,000	439
440	4105600	Increases/Decreases In General Revenue Funded Pensions And Benefits			632,722				632,722	440
441	42022CO	Increase To Statewide Law Enforcement Radio System Tower Leases						490,010	490,010	441
442	4400620	Fiscally Constrained Counties - E-Rate Telecommunications			1,250,000	1,250,000			1,250,000	442
443	47009CO	Emergency 911 Public Safety Answering Points Upgrade			2,827,360	2,827,360			2,827,360	443
444	990G000	Grants and Aids - Fixed Capital Outlay							-	444
445		Bradford County SLERS Radio Equipment Replacement and Coverage Improvement (SF 2998)			750,000	750,000			750,000	445
446		Hendry County Phase 3 Sheriff's Office SLERS Radio Coverage Improvements (SF 3256)			1,656,867	1,656,867			1,656,867	446
447		Orlando Sanford International Airport - Digital Twin Project (SF 2039)			600,000	600,000			600,000	447
448	081010	Compliance With The Americans With Disabilities Act			3,345,700	3,345,700		1,100,000	4,445,700	448
449	081400	Life Safety Code Compliance Projects Statewide - Dms Mgd						1,000,000	1,000,000	449
450	083400	Statewide Capital Depreciation - General - Dms Mgd			59,371,791	59,371,791		6,100,000	65,471,791	450
451	089070	Debt Service						(1,387,251)	(1,387,251)	451
452		<b>DEPARTMENT OF MANAGEMENT SERVICES</b>	<b>69,250,910</b>	<b>1,013.50</b>	<b>147,720,622</b>	<b>78,825,718</b>		<b>- 651,256,172</b>	<b>798,976,794</b>	<b>452</b>
453									-	453
454		<b>ADMINISTRATIVE HEARINGS</b>								454
455	1100001	<b>Startup (OPERATING)</b>	<b>24,135,589</b>	<b>235.00</b>				<b>40,530,169</b>	<b>40,530,169</b>	<b>455</b>
456	33V1620	Vacant Position Reductions	(34,760)	(1.00)				(34,760)	(34,760)	456
457		<b>ADMINISTRATIVE HEARINGS</b>	<b>24,100,829</b>	<b>234.00</b>				<b>40,495,409</b>	<b>40,495,409</b>	<b>457</b>
458									-	458
459		<b>PUBLIC SERVICE COMMISSION</b>								459
460	1100001	<b>Startup (OPERATING)</b>	<b>19,200,378</b>	<b>268.00</b>				<b>32,475,062</b>	<b>32,475,062</b>	<b>460</b>
461	33G0100	Elimination Of Full Time Equivalent (FTE) Positions	(166,248)	(4.00)				(273,040)	(273,040)	461
462		<b>PUBLIC SERVICE COMMISSION</b>	<b>19,034,130</b>	<b>264.00</b>				<b>32,202,022</b>	<b>32,202,022</b>	<b>462</b>
463									-	463
464		<b>DEPARTMENT OF REVENUE</b>								464
465	1100001	<b>Startup (OPERATING)</b>	<b>267,283,167</b>	<b>4,856.25</b>	<b>262,733,826</b>			<b>493,451,462</b>	<b>756,185,288</b>	<b>465</b>
466	160F090	Reapproval Of Budget Amendment To Transfer Between Categories In Child Support Enforcement - Add			15,965			30,989	46,954	466
467	160F100	Reapproval Of Budget Amendment To Transfer Between Categories In Child Support Enforcement - Deduct			(15,965)			(30,989)	(46,954)	467
468	2000250	Realignment Of Department Of Economic Opportunity - Reemployment Tax Contract Cost Increase - Add						982	982	468
469	2000260	Realignment Of Department Of Economic Opportunity - Reemployment Tax Contract Cost Increase - Deduct						(982)	(982)	469
470	20003CO	Realignment Of Azure Cloud - Northwest Regional Data Center To Contracted Services Category - Add						180,700	180,700	470
471	2000370	Workforce Realignment With Partner - Deduct			(255,269)			(495,519)	(750,788)	471
472	2000380	Workforce Realignment With Partner - Add			255,269			495,519	750,788	472
473	20004CO	Realignment Of Azure Cloud - Northwest Regional Data Center To Contracted Services Category - Deduct						(180,700)	(180,700)	473
474	24000CO	Equipment Replacement			63,438	63,438			63,438	474
475	2503080	Direct Billing For Administrative Hearings			(98,746)			(161,320)	(260,066)	475
476	3000030	Child Support Program - Additional Resources	409,128	10.00						476
477	3002000	Aid To Local Governments - Aerial Photography/Mapping (SF 3291)			208,853	208,853			208,853	477
478	3002170	Manatee County Clerk Of Circuit Court			48,451			94,052	142,503	478
479	33V1620	Vacant Position Reductions	(919,658)	(22.00)				(919,658)	(919,658)	479
480	33V4030	General Tax Administration - Postal Savings From Revised Mailing Practices			(46,032)				(46,032)	480
481	33V5060	General Tax Administration Reduction Of Full Time Equivalent (FTE)	(633,482)	(18.00)						481
482	34001CO	Fund Shift Federal Grants Trust Fund To General Revenue - Add			7,617				7,617	482
483	34002CO	Fund Shift Federal Grants Trust Fund To General Revenue - Deduct						(7,617)	(7,617)	483
484	3600PC0	Florida Planning, Accounting, And Ledger Management (PALM) Readiness			177,817	177,817		132,880	310,697	484
485	36213CO	Replace Existing Information Technology (IT) Platform			728,610	728,610		220,000	948,610	485
486	36217CO	Software Increases			71,105			27,626	98,731	486
487	36308CO	Maintenance Contract Price Increase			25,777				25,777	487
488	36309CO	Software Upgrade			293,940	293,940			293,940	488
489	36322CO	Electronic File And Pay System			85,951				85,951	489
490	36323CO	Suntax Transition To Sap S/4			32,255,697	32,255,697		5,000,000	37,255,697	490
491	36327CO	Fairfax Contract Increase			176,565	100,000			176,565	491
492	36330CO	Database Subscription Increases			22,671				22,671	492
493	4000060	Increase Purchase Of Services - State Disbursement Unit Procuremnt			608,413			1,181,039	1,789,452	493
494	4000100	Reemployment Tax Contract Cost Increase						4,628,969	4,628,969	494
495	4200100	Realignment Of General Tax Administration Budget - Deduct						(1,057,620)	(1,057,620)	495
496	4200200	Realignment Of General Tax Administration Budget - Add						1,057,620	1,057,620	496
497	4300200	Private Lease Cost Increase						200,000	200,000	497
498	43003CO	Increase Contracted Services Category			387,058				387,058	498
499	4300300	Private Contract Wage Inflation						285,515	285,515	499

## Appropriations Committee on Agriculture, Environment, and General Government

		AEG Recommendations								
Row #	Issue Code	Issue Title	Rate	FTE	GR	NR GR	LATF	OTHER TF	All Funds	Row #
500	4300400	Increase Expenses Category For Postage			421,791			219,979	641,770	500
501	5006080	Emergency Distributions						100,000	100,000	501
502	52M0540	Fiscally Constrained Counties - Ad Valorem Tax			75,174,688	75,174,688			75,174,688	502
503	990G000	<i>Dixie County Tax Collector (SF 1807)</i>			400,000	400,000			400,000	503
504	<b>Total</b>	<b>DEPARTMENT OF REVENUE</b>	<b>266,139,155</b>	<b>4,826.25</b>	<b>373,747,490</b>	<b>109,403,043</b>	<b>-</b>	<b>504,452,927</b>	<b>878,200,417</b>	<b>504</b>
505	<b>Grand Total</b>		<b>1,260,178,727</b>	<b>20,445.75</b>	<b>2,006,335,000</b>	<b>1,251,341,345</b>	<b>1,288,008,434</b>	<b>5,336,717,875</b>	<b>8,631,061,309</b>	<b>505</b>

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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**BILL:** CS/SB 314

**INTRODUCER:** Banking and Insurance Committee and Senator Burton

**SUBJECT:** Payment Stablecoin

**DATE:** February 17, 2026      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Moody</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>RC</u>	_____

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**Please see Section IX. for Additional Information:**  
COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 314 establishes a regulatory framework for state qualified payment stablecoin issuers (“issuers”) of stablecoins that is substantially similar to the Guiding and Establishing National Innovation for U.S. Stablecoins Act (“GENIUS Act”). The bill establishes issuers as a separate category of money services business (MSB), prohibits a person from engaging in authorized issuer activity without being registered with the Office of Financial Regulation (OFR), and provides requirements that must be met for issuers to become registered.

The bill provides that certain issuers are not required to register, including licensed MSBs and trust companies. Issuers may not engage in any activities except those authorized in the bill unless they are licensed for the other financial business activity. The bill provides that stablecoins that meet the requirements in the bill are not a security. Several types of transactions are not regulated under the provisions in the bill. The bill requires an issuer with a consolidated total issuance that reaches \$10 billion to transition to federal oversight unless a waiver is obtained.

The bill requires an issuer to comply with minimum prudential requirements in accordance with the GENIUS Act. The requirements adopt most of the requirements in the GENIUS Act except those that are inapplicable given the limited authority of the state to regulate certain issuers based on the type of entity or their consolidated total value of stablecoin issuance.

The OFR must comply with certification and annual recertification requirements as provided in the GENIUS Act. The bill requires the OFR to submit its initial certification application and recertification application within specified timeframes. The OFR must include relevant information relating to issuers under MSB and trust company provisions in seeking certification for the state regulatory regime for stablecoins.

Provisions in current law are updated to apply to registered issuers and stablecoins, including unlicensed activities, anti-money laundering laws, and disciplinary actions. The OFR is required to adopt rules as required under the GENIUS Act and has authority to adopt rules relating to several topics to implement the provisions of the bill.

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

The bill is effective upon becoming a law.

## II. Present Situation:

There are approximately 300 stablecoins issued<sup>1</sup> with a market cap of over \$300 billion.<sup>2</sup> Stablecoin transaction volume in August 2025 totaled \$969.9 billion.<sup>3</sup> Tether and USDC are the top two stablecoin issuers based on their market cap of \$184.31 billion and \$73.24 billion, respectively.<sup>4</sup>

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.<sup>5</sup> 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.”<sup>6</sup>

A stablecoin is created in the form of a digital token and logged on a shared digital ledger.<sup>7</sup> Some reported benefits of stablecoins include: fast transactions, transparency, programmability, unrestricted availability, minimal cost, global access, and flexibility in models.<sup>8</sup> 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.<sup>9</sup>

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<sup>1</sup> Kemmerer, D., *Stablecoin Market Share and Transaction Volume – [September 2025 Data]*, CoinLedger (Dec. 8, 2025), <https://coinledger.io/research/stablecoin-market-share-and-transaction-volume> (last visited Feb 11, 2026) (hereinafter cited as “Stablecoin Market Share and Transaction Volume Article”).

<sup>2</sup> Forbes, *Top Stablecoins Coins Today by Market Cap*, <https://fnord-www.forbes.com/digital-assets/categories/stablecoins/> (last visited Feb. 11, 2026).

<sup>3</sup> Stablecoin Market Share and Transaction Volume Article.

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

<sup>5</sup> The Securities and Exchange Commission, *Stablecoins* (Apr. 4, 2025), <https://www.sec.gov/newsroom/speeches-statements/statement-stablecoins-040425> (last visited Feb. 11, 2026).

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

<sup>7</sup> Association for Financial Professionals, *Stablecoins*, <https://www.financialprofessionals.org/glossary/stablecoins> (last visited Feb. 11, 2026) (hereinafter cited as “AFP Stablecoins Article”).

<sup>8</sup> *Id.*; Forbes, *What Are Stablecoins and How Can One Use Them for Payments?* (Oct. 13, 2024), <https://www.forbes.com/sites/digital-assets/article/what-are-stablecoins-how-to-use-them/> (last visited Feb. 11, 2026).

<sup>9</sup> AFP Stablecoins Article.

## Stablecoin Regulation

Last year, the Guiding and Establishing National Innovation for U.S. Stablecoins Act (the “GENIUS Act”)<sup>10</sup> 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 (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<sup>11</sup> to permitted payment stablecoin issuers,<sup>12,13</sup> which must comply with several requirements, such as:<sup>14</sup>

- Maintain identifiable reserves backing the outstanding payment stablecoins on at least a one-to-one basis<sup>15</sup> 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.

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<sup>10</sup> Guiding and Establishing National Innovation for U.S. Stablecoin Act, Pub. L. 119-27 (July 18, 2025).

<sup>11</sup> 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.

<sup>12</sup> 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.

<sup>13</sup> 12 U.S.C. s. 5902(a).

<sup>14</sup> 12 U.S.C. s. 5903(a)(1).

<sup>15</sup> 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.<sup>16</sup> The GENIUS Act requires the primary federal payment stablecoin regulator (the “federal regulator”),<sup>17</sup> 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.<sup>18</sup>

The GENIUS Act creates a tiered oversight model between federal and state authorities. A state regulator has authority to supervise, examine, and enforce all state qualified payment stablecoin issuers (the “state issuers”),<sup>19</sup> 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.<sup>20</sup> 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.<sup>21</sup>

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.<sup>22</sup> 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.<sup>23</sup>

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<sup>16</sup> 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.

<sup>17</sup> 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.

<sup>18</sup> 12 U.S.C. s. 5903(a)(4).

<sup>19</sup> 12 U.S.C. s. 5906(a).

<sup>20</sup> 12 U.S.C. s. 5906(b).

<sup>21</sup> 12 U.S.C. s. 5903(c).

<sup>22</sup> 12 U.S.C. s. 5903(d).

<sup>23</sup> *Id.*

### Other Federal Regulation

Digital Asset Market Clarity Act of 2025 (the “CLARITY Act”)<sup>24</sup> establishes a regulatory framework for digital commodities<sup>25</sup> that are defined as digital assets<sup>26</sup> and rely upon blockchain<sup>27</sup> for their value.<sup>28</sup> The CLARITY Act requires a digital commodity broker, dealer, or exchange to register with the Commodity Futures Trading Commission unless an exemption applies,<sup>29</sup> and requires a digital commodities transaction to meet specified requirements including qualifications to trade on an exchange.<sup>30</sup> 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.<sup>31</sup> The CLARITY Act has passed the House and is currently in the Senate – Banking, Housing, and Urban Affairs Committee.<sup>32</sup>

### ***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.<sup>33</sup>

<sup>24</sup> *The CLARITY Act*, H.R. 3633 – Digital Asset Market Clarity Act of 2025, 119<sup>th</sup> Congress (2025-2026), <https://www.congress.gov/bill/119th-congress/house-bill/3633> (last visited Feb. 11, 2026) (hereinafter cited as “The CLARITY Act”).

<sup>25</sup> 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).

<sup>26</sup> *Id.* defines “digital asset” as any digital representation of value which is recorded on a cryptographically-secured distributed ledger or similar technology.

<sup>27</sup> *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).”

<sup>28</sup> Congress.Gov, *Summary: H.R. 3633 – 119<sup>th</sup> Congress (2025-2026)*, <https://www.congress.gov/bill/119th-congress/house-bill/3633> (last visited Feb. 11, 2025).

<sup>29</sup> *Id.*

<sup>30</sup> The CLARITY Act.

<sup>31</sup> See Holtz-Eakin, D., *Some Clarity on GENIUS?* American Action Forum (Jan. 7, 2026), <https://www.americanactionforum.org/daily-dish/some-clarity-on-genius/> (last visited Feb. 11, 2026); Schwartz, L., *Landmark Crypto Bill on Knife’s Edge as Coinbase CEO Pulls Support Ahead of Key Senate Vote*, Fortune (Jan. 14, 2026), <https://fortune.com/2026/01/14/crypto-bill-coinbase-legislation-clarity-market-structure-stablecoins-banking-markup/> (last visited Feb. 11, 2026); Shen, T. and Wynn, S., *Senate Unveils Updated Market Structure Bill Limiting Stablecoin Rewards on Idle Holdings*, The Block, <https://www.theblock.co/post/385303/senate-unveils-new-draft-bill-stablecoin-reward> (last visited Feb. 11, 2026).

<sup>32</sup> Congress.Gov, *H.R. 3633 – Digital Asset Market Clarity Act of 2025*, <https://www.congress.gov/bill/119th-congress/house-bill/3633> (last visited Feb. 11, 2026).

<sup>33</sup> The OFR, *2026 Agency Legislative Bill Analysis for Senate Bill 314* (Oct. 30, 2025), p. 4, (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as “2026 OFR Agency Analysis for SB 314”).

### ***Other State Regulation***

In 2015, New York passed legislation<sup>34</sup> relating to the conduct of virtual currency,<sup>35</sup> which includes stablecoins.<sup>36</sup> In 2022, the New York Department of Financial Services (NY DFS) issued guidance regarding the regulation of stablecoins and specified several requirements that must be met for NY DFS-regulated virtual currency entities, such as backing and redeemability, reserves, and attestations relating to stablecoins.<sup>37</sup>

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.<sup>38</sup>

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.<sup>39</sup>

<sup>34</sup> N.Y. Comp. Codes R. & Regs. Tit. 23 s. 200.1.

<sup>35</sup> 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.

<sup>36</sup> New York Department of Financial Services, *Virtual Currency Guidance* (June 8, 2022), [Industry Letter - June 8, 2022: Guidance on the Issuance of U.S. Dollar-Backed Stablecoins | Department of Financial Services](#) (last visited Feb. 12, 2026).

<sup>37</sup> *Id.*

<sup>38</sup> 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*, <https://dfpi.ca.gov/regulated-industries/digital-financial-assets/digital-financial-assets-law-frequently-asked-questions/> (last visited Feb. 12, 2026).

<sup>39</sup> Tex. Fin. Code s. 152.003(19), available at <https://statutes.capitol.texas.gov/?tab=1&code=FI&chapter=FI.152&artSec=> (last visited Feb. 12, 2026).

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.<sup>40</sup>

California,<sup>41</sup> Missouri,<sup>42</sup> and Texas<sup>43</sup> have pending legislation regulating the business activity of stablecoins but do not explicitly refer to the regulatory requirements under the GENIUS 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<sup>44</sup> or have legislation that is pending<sup>45</sup> this session relating to investment in stablecoins or other stablecoin regulation.<sup>46</sup>

### 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.<sup>47</sup>

<sup>40</sup> W.S. s. 13-12-101 et seq., available at <https://wyoleg.gov/statutes/compress/title13.pdf> (last visited Feb. 12, 2026).

<sup>41</sup> California Senate Bill 97 (2025-2026), California Legislative Information, Senate Bill-97, *Digital financial assets: stablecoins* (2025-2026), [https://leginfo.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB97](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB97) (last visited Feb. 12, 2026). Note: CA SB-97 was ordered to inactive file on request of Assembly Member Aguiar-Curry on August 21, 2025.

<sup>42</sup> Missouri Senate Bill 1177 (2026), available at [https://www.senate.mo.gov/26Info/BTS\\_Web/Bill.aspx?SessionType=R&BillID=138](https://www.senate.mo.gov/26Info/BTS_Web/Bill.aspx?SessionType=R&BillID=138) (last visited Feb. 12, 2026).

<sup>43</sup> Texas Senate Bill 2922 (2025-2026), available at <https://capitol.texas.gov/tlodocs/89R/billtext/html/SB029221.htm> (last visited Feb. 12, 2026).

<sup>44</sup> Utah (House Bill 230 (2025)) available at <https://le.utah.gov/~2025/bills/static/HB0230.html> (last visited Feb. 12, 2026). The following states attempted to pass legislation to allow public funds to be invested in stablecoins but the bills did not pass: Iowa (House File 246 (2025-2026)), available at <https://www.legis.iowa.gov/publications/search/document?fq=id:1521685&q=digital+assets> (last visited Feb. 12, 2026); Massachusetts (Bill S.1967 (2025-2026)) available at <https://malegislature.gov/Bills/194/S1967> (last visited Feb. 12, 2026); Montana (House Bill 429 (2025)) available at [https://bills.legmt.gov/#/laws/bill/2/LC2663?open\\_tab=sum](https://bills.legmt.gov/#/laws/bill/2/LC2663?open_tab=sum) (last visited Feb. 12, 2026); Oregon (House Bill 2071 (2025)), available at <https://olis.oregonlegislature.gov/liz/2025R1/Measures/Overview/HB2071> (last visited Feb. 12, 2026); and Oklahoma (House Bill 1203 (2025)), available at <https://www.oklegislature.gov/BillInfo.aspx?Bill=hb1203&Session=2500> (last visited Feb. 12, 2026).

<sup>45</sup> The following states currently have pending legislation that would allow state funds to be invested in stablecoins: Indiana (House Bill 1042 (2026)), available at <https://iga.in.gov/legislative/2026/bills/house/1042/details> (last visited Feb. 12, 2026); North Carolina (House Bill 92 (2025-2026)), available at <https://www.ncleg.gov/BillLookup/2025/H92> (last visited Feb. 12, 2026); North Dakota (House Bill 1184 (2025-2026)), available at [https://ndlegis.gov/assembly/69-2025/regular/bill-overview/bo1184.html?utm\\_source=coinspaidmedia&utm\\_medium=referral&utm\\_campaign=20-us-states-consider-bitcoin-reserves](https://ndlegis.gov/assembly/69-2025/regular/bill-overview/bo1184.html?utm_source=coinspaidmedia&utm_medium=referral&utm_campaign=20-us-states-consider-bitcoin-reserves) (last visited Feb. 12, 2026); and Ohio (House Bill 18 (2025-2026)), available at <https://www.legislature.ohio.gov/legislation/136/hb18#:~:text=To%20amend%20sections%20145.11%2C%20742.11,name%20this%20act%20the%20Ohio> (last visited Feb. 12, 2026).

<sup>46</sup> Michigan House Bill 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), available at <https://legislature.mi.gov/documents/2025-2026/billintroduced/House/hm/2025-HIB-4511.htm>; South Carolina Senate Bill 163 (2025-2026) (regulating digital currency use, zoning, mining, taxation, and consumer protections), available at [https://www.scstatehouse.gov/sess126\\_2025-2026/bills/163.htm](https://www.scstatehouse.gov/sess126_2025-2026/bills/163.htm); Wyoming House Bill 308 (2025) (requiring the state attorney general to investigate certain activity related to stablecoins), available at <https://www.wyoleg.gov/Legislation/2025/HB0308>.

<sup>47</sup> Section 560.103(23), F.S.

The OFR is responsible for enforcing regulations and imposing disciplinary actions against MSBs.<sup>48</sup>

### ***Unlicensed Activity***

A person may not engage in MSB activities in Florida unless the person is licensed or exempted from licensure.<sup>49</sup> A person who engages in unlicensed activity is subject to penalties, such as currency, monetary value, payment instruments, or virtual currency of a value exceeding \$300 but not less than \$20,000 in any 12-month period, commits a third-degree felony.<sup>50</sup> In addition to criminal penalties provided under ch. 775, F.S.,<sup>51</sup> a person who is convicted of such an offense 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, except potential fines have a higher maximum amount for second or subsequent violations.<sup>52</sup>

### ***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.<sup>53</sup> 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.<sup>54</sup>

### ***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.<sup>55</sup>

### ***Florida Control of Money Laundering in Money Services Business Act***

Anti-money laundering regulation in Florida is similar to some of the federal Bank Secrecy Act<sup>56</sup> regulations. A MSB has some reporting requirements to the OFR and must retain certain records

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<sup>48</sup> Section 560.114(1), F.S.

<sup>49</sup> Section 560.125(1), F.S.

<sup>50</sup> Section 560.125(5)(a), F.S.

<sup>51</sup> A third-degree felony is punishable as provided in s. 775.082, s. 775.083, to include up to five years imprisonment and a \$5,000 fine, and s. 775.084, F.S., which defines sentencing guidelines for habitual felony offenders.

<sup>52</sup> Section 560.125(6), F.S.

<sup>53</sup> *Id.*

<sup>54</sup> *Id.*

<sup>55</sup> Section 560.113, F.S.

<sup>56</sup> 31 U.S.C. 5311 et seq.

relating to certain financial transactions.<sup>57</sup> The OFR is required to retain certain records and has enforcement authority for any violations of the provisions.<sup>58</sup> A person who willfully violates a provision of the act is subject to criminal sanctions, including first, second, and third degree felonies depending on the value of the transaction.<sup>59</sup> A person convicted of a crime for violating the act is also subject to fines.<sup>60</sup>

### III. Effect of Proposed Changes:

The bill establishes a framework for regulating qualified payment stablecoin issuers (“issuer”) as authorized under the Guiding and Establishing National Innovation for U.S. Stablecoins Act (“GENIUS Act”). The bill provides requirements that must be complied with and authorizes the Office of Financial Regulation (OFR) to impose disciplinary action and to engage in enforcement actions.

**Section 1** amends s. 560.103, F.S., relating to definitions as used in ch. 560, F.S., to modify the definition of “money services business” (MSB) to include an issuer as a new category of money services business.

Additionally, the bill defines the term “payment stablecoin” to mean a digital asset that meets all of the following requirements: is, or is designed to be, used as a means of payment or settlement; and the issuer of which:

- 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; and
- 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.

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

- A national currency, which means each of the following:
  - A Federal Reserve note as the term is used in the first undesignated paragraph of s. 16 of the Federal Reserve Act.<sup>61</sup>
  - Money standing to the credit of an account with a Federal Reserve Bank.
  - Money issued by a foreign central bank.
  - Money issued by an intergovernmental organization pursuant to an agreement by two or more governments.
- A deposit as defined in s. 3 of the Federal Deposit Insurance Act<sup>62</sup> including a deposit recorded using distributed ledger technology. 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.

<sup>57</sup> See s. 560.123(3) and (4), F.S.

<sup>58</sup> Section 560,123(6) and (7), F.S.

<sup>59</sup> Section 560.123(8), F.S.

<sup>60</sup> Section 560.123(8)(c), F.S.

<sup>61</sup> 12 U.S.C. s. 411.

<sup>62</sup> 12 U.S.C. s. 1813.

- A security as defined in s. 517.021, F.S.,<sup>63</sup> s. 2 of the Securities Act of 1933,<sup>64</sup> s. 3 of the Securities and Exchange Act of 1934,<sup>65</sup> or s. 2 of the Investment Company Act of 1940.<sup>66</sup>

In addition, the bill defines the following terms:

- “Digital asset” to mean any digital representation of value that is recorded on a cryptographically secured digital ledger.
- “Qualified payment stablecoin issuer” to mean an entity legally established under the laws of a state and approved by the OFR to issue payment stablecoins.
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**Sections 2, 3 and 4** apply to payment stablecoins the following provisions of current law applicable to money services businesses:

- Disciplinary actions and penalties to registered issuers.
- Florida Control of Money Laundering in Money Services Business Act to stablecoins.
- Unlicensed activity and certain penalties to registered issuers.

**Section 3** further specifies that an issuer must comply with any anti-money laundering regulation provided in the GENIUS Act.<sup>67</sup>

**Section 5** creates part V of ch. 560, F.S., entitled “Payment Stablecoin Issuers” that establishes regulation of issuers.

Unless exempted, **Section 6**, which creates s. 560.501, F.S., relating to registration requirements, requires that persons engaging in the activity of an issuer must register and renew registration with the OFR and receive notification from the OFR that the application for registration as an issuer is approved. The OFR must provide written notice that the OFR has approved or denied the application for registration.

Exemptions from registration as an issuer include a payment instrument seller, foreign currency exchanger, check casher, or money transmitter that is licensed as a money services business and issues payment stablecoins (“stablecoins”) with a consolidated total outstanding issuance of \$10 billion or less. However, such issuers are subject to ss. 560.503 and 504.504, F.S.,

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<sup>63</sup> 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.

<sup>64</sup> 15 U.S.C. s. 77b.

<sup>65</sup> 15 U.S.C. s. 78c.

<sup>66</sup> 15 U.S.C. s. 80a-2.

<sup>67</sup> See Bank Secrecy Act, s. 21 of the Federal Deposit Insurance Act, ch. 2 of Title I of Pub. No. 91-508, and subchapter II of ch. 53 of Title 31, U.S.C

(Sections 8 and 9) which limit certain activities by issuers and provide minimum requirements for issuers, respectively).

Current law in s. 560.104, F.S., exempts banks, credit unions, trust companies, and other specified entities from ch. 560, F.S., and thus such entities are not subject to the stablecoin regulations of ch. 560, F.S.

Payment stablecoins meeting the requirements of Part V of ch. 560, F.S., are not securities nor subject to ch., 517, F.S., the Florida Securities and Investor Protection Act.

The bill also exempts certain transactions from stablecoin regulation, including:

- The direct transfer of stablecoins between two individuals acting on their own behalf and for their own lawful purposes, without the involvement of an intermediary.
- Any transaction involving the receipt of 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.
- Any transaction by means of a software or hardware wallet that facilitates an individual's own custody of stablecoins.

Unless a federal waiver is obtained, if an issuer with a consolidated total outstanding stablecoin issuance reaches a \$10 billion threshold, the issuer must take one of the following transition steps:

- Not later than 360 days after the stablecoin issuance reaches such threshold, transition to the applicable federal regulatory framework administered jointly by the OFR and the United States Office of the Comptroller of the Currency; or
- Beginning on the date the stablecoin issuance reaches such threshold, cease issuing new stablecoins until the stablecoin falls below the \$10 billion consolidated total outstanding issuance threshold.

An issuer remains subject to the stablecoin regulation under the bill if a federal waiver of the transition requirements is obtained, and the OFR remains solely responsible for supervising the issuer, or if the OFR is jointly responsible with the United States Office of the Comptroller of the Currency to supervise the issuer. The OFR may enter into an agreement with the relevant primary federal stablecoin regulator for the joint supervision of any issuer.

**Section 7** creates s. 560.502 F.S., relating to registration applications, and sets forth the requirements to apply as an MSB issuer, including the application requirements that must be completed and submitted on a form prescribed by commission rule which must contain:

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

- The name, social security number, alien identification number or taxpayer identification number, business and residence addresses, and employment history for the past five years for each control person.<sup>68</sup>
- 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.
- The name and mailing address of the registered agent in this state for service of process.
- 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.
- Any other information as required in ch. 560, F.S., or commission rule.

Any information needed to resolve deficiencies found in the application must be provided within a time period prescribed by rule. A registrant must report on a prescribed form any change in the information contained in an initial application form or an amendment within 30 days after the change is effective.

The bill also provides for the following renewal registration provisions:

- 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 the initial registration application if there are changes in the information, or an affidavit signed by the registrant that the information remains the same as the prior year's information.
- Any renewal registration becomes effective on the date the OFR approves the application. The OFR must approve the renewal registration within a timeframe prescribed by rule.
- Failure to submit an application to renew an 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 issuer must be submitted to the OFR,

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<sup>68</sup> Section 560.103, F.S., defines "control person" as, with respect to a money services business, any of the following: (a) A person who holds the title of president, treasurer, chief executive officer, chief financial officer, chief operations officer, chief legal officer, or compliance officer for a money services business; (b) A person who holds any of the officer, general partner, manager, managing member positions named in the money services business's governing documents. The term "governing documents" includes bylaws, articles of incorporation or organization, partnership agreements, shareholder agreements, and management of operating agreements; (c) A director of money services business's board of directors; (d) A shareholder in whose name shares are registered in the records of a corporation for profit, whether incorporated under the laws of this state or organized under the laws of any other jurisdiction and existing in that legal form, who directly or indirectly has the power to vote 25 percent or more of a class of voting securities, or to sell or direct the sale of 25 percent or more of a class of voting securities; (e) A general partner or a limited partner, as those terms are defined in s. 620.1102, F.S., who has a 25 percent or more transferable interest, as defined in s. 620.1102, F.S., of a limited partnership, limited liability limited partnership, foreign limited partnership, or foreign limited liability limited partnership, as those terms are defined in s. 620.1102, F.S.; (f) A member, who is a person that owns a membership interest in a limited liability company or a foreign limited liability company, as those terms are defined in s. 605.0102(36) and (26), F.S., respectively, that holds a 25 percent or more membership interest in such company. The term "membership interest" means a member's right to receive distributions or other rights, such as voting rights or management rights, under the articles of organization; (g) A natural person who indirectly owns 25 percent or more of the shares for stock interest, transferrable interest as defined in s. 620.1102, F.S., or membership interest of any legal entities referred to in this definition.

and a certification of registration must be issued by the OFR before the issuer may conduct business in this state.

- The OFR must deny the application of an issuer that submits a renewal application that fails to comply with the requirements for initial application requirements.

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 OFR may deny the prospective registrant's initial registration application or the registrant's renewal application.

Any false statement made by an issuer in an application for registration renders the registration void. A void registration may not be construed as creating a defense to any prosecution for violation of ch. 560, F.S.

**Section 8** creates s. 560.503, F.S., relating to limitation on payment stablecoin activities, and limits and specifies the types of activities that an issuer may engage unless licensed to engage in other financial business activity under ch. 560, F.S., or ch. 655, F.S., including:

- Issue stablecoins.
- Redeem stablecoins.
- 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 Florida.
- Undertake other activities that directly support any of these activities.

**Section 9** creates s. 560.504, F.S., relating to minimum prudential requirements, and requires an issuer to comply with minimum prudential requirements, in accordance with the GENIUS Act, including:

- Maintain identifiable reserves backing the outstanding stablecoins of the issuer on at least a one-to-one basis, with reserves consisting of any of the following:
- United States coin or currency or money standing to the credit of an account with a Federal Reserve Bank.
- Funds held as demand deposits or insured shares at an insured depository institution, subject to limitations established by the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA).
- Treasury bills, notes, or bonds with a remaining maturity or issued with a maturity of 93 days or less.
- Money received under repurchase agreements, with the 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.
- Reverse purchase agreements, with the 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.

- 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 above.
- Any other similarly liquid Federal Government-issued asset approved by the primary federal payment stablecoin regulator, in consultation with the OFR.
- Any of the above type reserve, except money received under repurchase agreements or reverse purchase agreements, in tokenized form if the reserves comply with all applicable laws and regulations.
- Publicly disclose the issuer's redemption policy, which must meet the following requirements:
  - Establish clear and conspicuous procedures for timely redemption of outstanding stablecoins.
  - Publicly, clearly, and conspicuously disclose in plain language all fees associated with purchasing or redeeming the stablecoins if consumers receive at least seven days' notice of a change in the fees.
- Publish on the issuer's website a monthly reserve composition of the issuer's reserve which must contain the following information:
  - The total number of outstanding stablecoins issued by the issuer.
  - The amount and composition of the reserves, including the average tenor and geographic location of custody of each category of reserve instruments.
- Comply with all federal prohibitions on pledging, rehypothecating, or reusing reserve assets, either directly or indirectly, except for the following purposes:
  - Satisfying margin obligations in connection with investments in permitted reserves relating to money received under repurchase agreements or reverse purchase agreements.
  - Satisfying obligations associated with the use, receipt, or provision of standard custodial services.
  - Creating liquidity to meet reasonable expectations of requests to redeem 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:
    - The repurchase agreements are cleared by a clearing agency registered with the Securities and Exchange Commission; or
    - The issuer receives prior approval from the OFR.
- Engage a registered public accounting firm to conduct a monthly examination of the previous month-end reserve report. The term "registered public accounting firm" means a public accounting firm registered with the Public Company Accounting Oversight Board.
- Submit to the OFR each month a certification as to the accuracy of the month-end reserve report by the issuer's chief executive officer and chief financial officer.
- Comply with any federal regulations or state rules prescribed by commission rule relating to capital, liquidity, and risk management requirements.
- Engage only custodians or safekeepers that comply with s. 10 of the GENIUS Act, Pub. L. No. 119-27.
- 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.

An issuer is prohibited from engaging in the following conduct:

- 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 an issuer or agreement not to obtain products or services from a competitor.
- Using deceptive names, including:
  - Using any combination of terms relating to the United States Government, except abbreviations directly related to the currency to which a stablecoin is pegged, such as “USD.”
  - Marketing a stablecoin in such a way that a reasonable person would perceive the 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.
- Unless authorized by federal law, paying the holder of any stablecoin any form of interest or yield solely in connection with holding, use, or retention of such stablecoin.

**Section 10** creates s. 560.505, F.S., relating to state certification, and requires the OFR to comply with the following requirements for state certification or recertification by the federal government:

- No later than 20 days after the federal Stablecoin Certification Review Committee (“Committee”) begins accepting certifications or no later than 20 days after the effective date of this act, whichever is later, the OFR must submit an initial certification to the committee on prescribed form attesting that the state regulatory regime meets the criteria for substantial similarity established pursuant to the GENIUS Act.
- No later than the date to be determined by the United States Secretary of the Treasury each year, the OFR must submit to the Committee an additional certification that confirms the accuracy of the initial certification submitted.
- The OFR 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 Committee of the state regulatory regime.

**Section 11** creates s. 560.506, F.S., relating to rulemaking authority, and requires the Financial Services Commission (“Commission”) to adopt rules as required by ss. 4(a)(4) and 13 of the GENIUS Act, including rules relating to capital, liquidity, and risk management. The bill also authorizes the Commission to 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 Committee.

**Section 12** creates s. 658.997, F.S., relating to qualified payment stablecoin issuers, and creates regulation of issuers that are trust company. The regulation of MSB issuers is substantially similar to the regulation of trust company issuers, except that trust companies are not required to register as issuers since they are already regulated under ch. 658, F.S.<sup>69</sup>

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<sup>69</sup> Because the definition of a state qualified payment stablecoin issuer in the GENIUS Act excludes insured depository institutions and all state banks and credit unions are insured, the bill does not include a state regulatory regime of banks or credit unions as issuers. Section 658.38, F.S., provides that a state bank must obtain before opening and thereafter maintain insurance of its deposits by the Federal Deposit Insurance Corporation (FDIC). Failure to apply for insurance by the FDIC within three months after approval by the OFR for authority to organize a state bank or a final order by the FDIC denying an applicant’s application for insurance of accounts terminates and revokes the final order issued by the OFR approving the

The bill also includes for purposes s. 658.997, F.S., the following modifications to the definition of the term “qualified payment stablecoin issuer.” The bill provides that the term does not include an insured depository institution, an insured national bank, a federal branch of a foreign bank, or a subsidiary of such entities. For the purposes of this definition, the following terms are defined as follows:

- “Federal branch” means a branch of a foreign bank established and operating under 12 U.S.C. s. 3102.
- “Insured depository institution” means any bank or savings association the deposits of which are insured by the FDIC and insured credit union means any credit union the member accounts of which are insured by the NCUA Board.
- “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 service corporation.

The section is substantively the same regulation of trust company issuers in s. 658.997, F.S., as for MSB issuers in part V, ch. 560, F.S., **Section 6** (exemptions and transition to federal oversight but registration is not required), **Section 8** (limitation on stablecoin activities), **Section 9** (minimum prudential requirements, and **Section 11** (rulemaking). The section also requires the state’s certification submissions required in **Section 10** of the bill to include any relevant information related to the provisions of ch. 658, F.S., in the OFR’s request for certification or recertification of the state’s regulatory regime of stablecoins.

**Section 13** of the bill provides an effective date of 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:

None.

C. Government Sector Impact:

The bill has an indeterminate impact on state revenues and expenditures. The Office of Financial Regulation (OFR) reports “[t]he fiscal impact for enforcement is indeterminate because the [OFR] does not know how many entities will become registered stablecoin issuers.”<sup>70</sup>

**VI. Technical Deficiencies:**

Incorporating qualified payment stablecoin issuers as a new category of money services businesses that are subject to the general provisions of ch. 560, F.S., means that custodians are also subject to the same requirements, prohibitions, penalties, and other provisions contained therein, such as investigations and examinations. Unless explicitly excluded, such investigations and examinations are confidential and exempt from public records disclosure requirements in s. 119.07(1) and s. 24(a), Art. 1 of the State Constitution until the investigation or examination ceases.<sup>71</sup> Subjecting qualified payment stablecoin issuer records to such exemption would be an expansion of the public records exemption provided under current law which is required to be in a bill with a single subject.<sup>72</sup> No public records exemption bill related to CS/SB 314 has been filed.

**VII. Related Issues:**

Administrative rules promulgated under the Guiding and Establishing National Innovation for U.S. Stablecoins Act (“GENIUS Act”) may require amendments to CS/SB 314 or its implementing rules. Further, if the Digital Asset Market Clarity Act of 2025 (the “CLARITY Act”) is enacted, the GENIUS Act and CS/SB 314 may need to be amended. Additional federal legislation and rulemaking related to digital assets remains under consideration, which may also require amendments.

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<sup>70</sup> 2026 OFR Agency Analysis for SB 314.

<sup>71</sup> Section 560.129, F.S.

<sup>72</sup> Fla. Const. Art. 24(a).

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 560.103, 560.114, 560.123, and 560.125.

This bill creates the following sections of the Florida Statutes: 560.2053, 560.501, 560.502, 560.503, 560.504, 560.505, 560.506, and 658.997.

**IX. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS by Banking and Insurance Committee on February 4, 2026:**

- Creates a state regulatory framework that is substantially similar to the GENIUS Act, Pub. L. No. 119-27 to regulate payment stablecoin issuers (“issuers”) as money services businesses or trust companies.
- Requires an issuer to be registered, qualify for an exemption, or transition to federal oversight unless a waiver is obtained.
- Requires issuers who must register to comply with application and other requirements.
- Limits the activities that an issuer may engage in regarding stablecoins unless the issuer is licensed to conduct other financial business activities.
- Requires an issuer to comply with minimum prudential requirements.
- Prohibits an issuer from engaging in certain activities, including tying arrangements, using deceptive names, and paying any interest or yields to a holder of stablecoin.
- Conforms money services businesses provisions to apply to registered issuers.
- Clarifies the Office of Financial Regulation’s (OFR) obligations to obtain an initial certification and annual recertification from the federal government.
- Requires the OFR to adopt rules as required under the GENIUS Act.
- Modifies the effective date.

**B. Amendments:**

None.

By the Committee on Banking and Insurance; and Senator Burton

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1 A bill to be entitled  
 2 An act relating to payment stablecoin; amending s.  
 3 560.103, F.S.; revising the definition of the term  
 4 "money services business"; defining terms; amending s.  
 5 560.114, F.S.; revising the actions by a money  
 6 services business which constitute grounds for  
 7 disciplinary actions; amending s. 560.123, F.S.;  
 8 revising the Florida Control of Money Laundering in  
 9 Money Services Business Act to include payment  
 10 stablecoins; requiring certain payment stablecoin  
 11 issuers to comply with certain regulations; amending  
 12 s. 560.125, F.S.; revising the prohibition regarding  
 13 the business of money services businesses or deferred  
 14 presentment providers; revising the circumstances  
 15 relating to violations of certain provisions; creating  
 16 part V of ch. 560, F.S., entitled "Payment Stablecoin  
 17 Issuers"; creating s. 560.501, F.S.; prohibiting  
 18 persons from engaging in the activity of a qualified  
 19 payment stablecoin issuer without registering and  
 20 receiving a specified notification; providing that  
 21 certain money services businesses are exempt from  
 22 registration requirements; specifying that certain  
 23 payment stablecoins are not a security and are not  
 24 subject to certain requirements; specifying that  
 25 certain transactions are not regulated under certain  
 26 provisions; requiring qualified payment stablecoin  
 27 issuers to comply with certain requirements;  
 28 specifying that qualified payment stablecoin issuers  
 29 are subject to certain provisions under certain

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

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30 circumstances; specifying that the Office of Financial  
 31 Regulation remains solely responsible for supervising  
 32 qualified payment stablecoin issuers or is jointly  
 33 responsible with the United States Office of the  
 34 Comptroller of the Currency for such supervision under  
 35 certain circumstances; creating s. 560.502, F.S.;  
 36 requiring applicants seeking to be a qualified payment  
 37 stablecoin issuer to submit a specified application to  
 38 the office; requiring applicants to resolve  
 39 deficiencies found in their applications within a  
 40 certain timeframe; requiring registrants to report  
 41 changes in their information within a specified  
 42 timeframe; requiring registrants to renew registration  
 43 annually; requiring the registrant to renew  
 44 registration in a specified manner; specifying that  
 45 the renewal registration becomes effective on a  
 46 certain date; requiring the office to approve renewal  
 47 registration within a specified timeframe; specifying  
 48 that failure to submit an application within a  
 49 specified timeframe results in the registration  
 50 becoming expired; requiring a qualified payment  
 51 stablecoin issuer with an expired registration to  
 52 submit a new application to the office; providing that  
 53 the office must issue a certification of registration  
 54 before the qualified payment stablecoin issuer may  
 55 conduct business in this state; authorizing the office  
 56 to deny the prospective registrant's renewal  
 57 application under certain circumstances; requiring the  
 58 office to deny the application of qualified payment

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59 stablecoin issuers under certain circumstances;  
 60 specifying that any false statement in the application  
 61 renders the registration void; providing construction;  
 62 creating s. 560.503, F.S.; specifying that qualified  
 63 payment stablecoin issuers may only engage in certain  
 64 activities; creating s. 560.504, F.S.; requiring  
 65 qualified payment stablecoin issuers to comply with  
 66 certain requirements; prohibiting qualified payment  
 67 stablecoin issuers from engaging in certain conduct;  
 68 creating s. 560.505, F.S.; requiring the office to  
 69 submit initial and additional certifications to a  
 70 specified committee under certain circumstances;  
 71 requiring the office to comply with certain  
 72 requirements; creating s. 560.506, F.S.; requiring the  
 73 Financial Services Commission to adopt specified  
 74 rules; creating s. 658.997, F.S.; defining terms;  
 75 specifying that certain trust companies are exempt  
 76 from registration as qualified payment stablecoin  
 77 issuers but are subject to certain provisions;  
 78 specifying that certain payment stablecoins are not  
 79 securities and are not subject to certain  
 80 requirements; specifying that certain transactions are  
 81 not regulated by certain provisions; requiring  
 82 qualified payment stablecoin issuers to comply with  
 83 certain requirements; specifying that qualified  
 84 payment stablecoin issuers remain subject to certain  
 85 provisions under certain circumstances; authorizing  
 86 the office to enter into an agreement with specified  
 87 regulators for joint supervision of qualified payment

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88 stablecoin issuers; specifying that the office remains  
 89 solely responsible for supervising qualified payment  
 90 stablecoin issuers or is jointly responsible with the  
 91 United States Office of the Comptroller of the  
 92 Currency for such supervision under certain  
 93 circumstances; specifying that qualified payment  
 94 stablecoin issuers may engage only in certain  
 95 activities; requiring qualified payment stablecoin  
 96 issuers to comply with certain requirements; defining  
 97 the term "registered public accounting firm";  
 98 prohibiting qualified payment stablecoin issuers from  
 99 engaging in certain conduct; requiring that the  
 100 office's initial and annual recertification include  
 101 certain information; providing for certain rule  
 102 adoption by the commission; providing an effective  
 103 date.  
 104  
 105 Be It Enacted by the Legislature of the State of Florida:  
 106  
 107 Section 1. Present subsections (33), (34), and (35) and  
 108 (36) through (39) of section 560.103, Florida Statutes, as  
 109 amended by chapter 2025-100, Laws of Florida, are redesignated  
 110 as subsections (34), (35), and (36) and (38) through (41),  
 111 respectively, new subsections (33) and (37) are added to that  
 112 section, and subsection (25) of that section is amended, to  
 113 read:  
 114 560.103 Definitions.—As used in this chapter, the term:  
 115 (25) "Money services business" means any person located in  
 116 or doing business in this state, from this state, or into this

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117 state from locations outside this state or country who acts as a  
 118 payment instrument seller, foreign currency exchanger, check  
 119 cashier, ~~or~~ money transmitter, or qualified payment stablecoin  
 120 issuer.

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

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

125 2. The issuer of which:

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

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

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

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

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

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

142 c. Money issued by a foreign central bank.

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

145 2. A deposit as defined in s. 3 of the Federal Deposit

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146 Insurance Act, 12 U.S.C. s. 1813, including a deposit recorded  
 147 using distributed ledger technology. For purposes of this  
 148 subparagraph, the term "distributed ledger" means technology in  
 149 which data is shared across a network that creates a public  
 150 digital ledger of verified transactions or information among  
 151 network participants and cryptography is used to link the data  
 152 to maintain the integrity of the public ledger and execute other  
 153 functions.

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

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

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

164 Section 2. Paragraph (w) of subsection (1) of section  
 165 560.114, Florida Statutes, is amended to read:

166 560.114 Disciplinary actions; penalties.—

167 (1) The following actions by a money services business,  
 168 authorized vendor, or affiliated party constitute grounds for  
 169 the issuance of a cease and desist order; the issuance of a  
 170 removal order; the denial, suspension, or revocation of a  
 171 license; or taking any other action within the authority of the  
 172 office pursuant to this chapter:

173 (w) Engaging or advertising engagement in the business of a  
 174 money services business or deferred presentment provider without

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175 a license or registration, unless exempted from licensure or  
 176 registration.

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

181 560.123 Florida Control of Money Laundering in Money  
 182 Services Business Act.—

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

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

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

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204 during any day.

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

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

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

223 (8) (a) Except as provided in paragraph (b), a person who  
 224 willfully violates any provision of this section commits a  
 225 misdemeanor of the first degree, punishable as provided in s.  
 226 775.082 or s. 775.083.

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

229 1. Currency, monetary value, payment instruments, ~~or~~  
 230 virtual currency, or payment stablecoins of a value exceeding  
 231 \$300 but less than \$20,000 in any 12-month period, commits a  
 232 felony of the third degree, punishable as provided in s.

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233 775.082, s. 775.083, or s. 775.084.

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

239 3. Currency, monetary value, payment instruments, ~~or~~  
 240 virtual currency, or payment stablecoins of a value totaling or  
 241 exceeding \$100,000 in any 12-month period, commits a felony of  
 242 the first degree, punishable as provided in s. 775.082, s.  
 243 775.083, or s. 775.084.

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

256 (d) A person who violates this section is also liable for a  
 257 civil penalty of up to the greater of the value of the currency,  
 258 monetary value, payment instruments, ~~or~~ virtual currency, or  
 259 payment stablecoins involved or \$25,000.

260 (9) A state qualified payment stablecoin issuer must comply  
 261 with any anti-money laundering regulation provided in the GENIUS

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262 Act under Pub. L. No. 119-27, which includes, but is not limited  
 263 to, provisions relating to economic sanctions, prevention of  
 264 money laundering, customer identification, and due diligence in  
 265 the Bank Secrecy Act, s. 21 of the Federal Deposit Insurance  
 266 Act, 12 U.S.C. s. 1813, chapter 2 of Title I of Pub. L. No. 91-  
 267 508, and subchapter II of chapter 53 of Title 31, United States  
 268 Code.

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

272 560.125 Unlicensed activity; penalties.—

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

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

284 (a) Currency, monetary value, payment instruments, ~~or~~  
 285 virtual currency, or payment stablecoins of a value exceeding  
 286 \$300 but less than \$20,000 in any 12-month period, commits a  
 287 felony of the third degree, punishable as provided in s.  
 288 775.082, s. 775.083, or s. 775.084.

289 (6) In addition to the penalties authorized by s. 775.082,  
 290 s. 775.083, or s. 775.084, a person who has been convicted of,

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291 or entered a plea of guilty or nolo contendere to, having  
 292 violated this section may be sentenced to pay a fine of up to  
 293 the greater of \$250,000 or twice the value of the currency,  
 294 monetary value, payment instruments, ~~or~~ virtual currency, or  
 295 payment stablecoins, except that on a second or subsequent  
 296 violation of this section the fine may be up to the greater of  
 297 \$500,000 or quintuple the value of the currency, monetary value,  
 298 payment instruments, or virtual currency.

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

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

304 560.501 Registration required; exemptions; transition to  
 305 federal oversight.-

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

315 (2) EXEMPTIONS.-

316 (a) A payment instrument seller, foreign currency  
 317 exchanger, check casher, or money transmitter that is licensed  
 318 as a money services business pursuant to s. 560.141 and issues  
 319 payment stablecoins with a consolidated total outstanding

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320 issuance of \$10 billion or less is exempt from registration as a  
 321 qualified payment stablecoin issuer but is subject to ss.  
 322 560.503 and 560.504.

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

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

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

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

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

337 (3) TRANSITION TO FEDERAL OVERSIGHT.-

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

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

347 2. Beginning on the date the payment stablecoin issuance  
 348 reaches such threshold, cease issuing new payment stablecoins

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349 until the payment stablecoin falls below the \$10 billion  
 350 consolidated total outstanding issuance threshold.

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

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

364 560.502 Registration applications.—

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

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

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

376 (c) The name, social security number, alien identification  
 377 number or taxpayer identification number, business and residence

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378 addresses, and employment history for the past 5 years for each  
 379 control person as defined in s. 560.103.

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

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

386 (f) An attestation that the applicant has developed clearly  
 387 documented policies, processes, and procedures regarding the use  
 388 of blockchain analytics to prevent transfers to wallet addresses  
 389 linked to known criminal activity, including the manner in which  
 390 such blockchain analytics activity will integrate into its  
 391 compliance controls, and that the applicant will maintain and  
 392 comply with such blockchain analytics policies, processes, and  
 393 procedures.

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

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

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

403 (4) A registrant must renew its registration annually on or  
 404 before December 31 of the year preceding the expiration date of  
 405 the registration. To renew such registration, the registrant  
 406 must submit a renewal application that provides the information

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

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

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

424 (7) If a control person of a registrant or prospective  
 425 registrant has engaged in any unlawful business practice, or has  
 426 been convicted or found guilty of, or pled guilty or nolo  
 427 contendere to, regardless of adjudication, a crime involving  
 428 dishonest dealing, fraud, acts of moral turpitude, or other acts  
 429 that reflect an inability to engage lawfully in the business of  
 430 a registered qualified payment stablecoin issuer, the office may  
 431 deny the prospective registrant's initial registration  
 432 application or the registrant's renewal application.

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

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

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

443 560.503 Limitation on payment stablecoin activities.—Unless  
 444 licensed under this chapter or chapter 655 to conduct other  
 445 financial business activities, a qualified payment stablecoin  
 446 issuer may engage only in the following activities:

447 (1) Issue payment stablecoins.

448 (2) Redeem payment stablecoins.

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

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

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

457 560.504 Minimum prudential requirements.—

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

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

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- 465 1. United States coin or currency or money standing to the  
 466 credit of an account with a Federal Reserve Bank.
- 467 2. Funds held as demand deposits or insured shares at an  
 468 insured depository institution, subject to limitations  
 469 established by the Federal Deposit Insurance Corporation and the  
 470 National Credit Union Administration.
- 471 3. Treasury bills, notes, or bonds with a remaining  
 472 maturity or issued with a maturity of 93 days or less.
- 473 4. Money received under repurchase agreements, with the  
 474 qualified payment stablecoin issuer acting as a seller of  
 475 securities and with an overnight maturity, that are backed by  
 476 Treasury bills with a maturity of 93 days or less.
- 477 5. Reverse purchase agreements, with the qualified payment  
 478 stablecoin issuer acting as a purchaser of securities and with  
 479 an overnight maturity, that are collateralized by Treasury  
 480 bills, notes, or bonds on an overnight basis, subject to  
 481 overcollateralization in line with standard market terms that  
 482 meet federal requirements in the GENIUS Act, Pub. L. No. 119-27.
- 483 6. Securities issued by an investment company registered  
 484 under s. 8(a) of the Investment Company Act of 1940, 15 U.S.C.  
 485 s. 80a-8(a), or other registered government money market fund,  
 486 and that are invested solely in underlying assets described in  
 487 subparagraphs 1.-5.
- 488 7. Any other similarly liquid Federal Government-issued  
 489 asset approved by the primary federal payment stablecoin  
 490 regulator, in consultation with the office.
- 491 8. Any reserve described in subparagraphs 1.-3. or  
 492 subparagraph 6. or subparagraph 7. in tokenized form, provided  
 493 that such reserves comply with all applicable laws and

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- 494 regulations.
- 495 (b) Publicly disclose the issuer's redemption policy, which  
 496 must comply with all of the following requirements:
- 497 1. Establish clear and conspicuous procedures for timely  
 498 redemption of outstanding payment stablecoins.
- 499 2. Publicly, clearly, and conspicuously disclose in plain  
 500 language all fees associated with purchasing or redeeming the  
 501 payment stablecoins, provided that such fees can be changed only  
 502 upon not less than 7 days' prior notice to consumers.
- 503 (c) Publish on the issuer's website a monthly reserve  
 504 composition of the issuer's reserve which must contain all of  
 505 the following information:
- 506 1. The total number of outstanding payment stablecoins  
 507 issued by the issuer.
- 508 2. The amount and composition of the reserves described in  
 509 paragraph (a), including the average tenor and geographic  
 510 location of custody of each category of reserve instruments.
- 511 (d) Comply with all federal prohibitions on pledging,  
 512 rehypothecating, or reusing reserve assets, either directly or  
 513 indirectly, except for any of the following purposes:
- 514 1. Satisfying margin obligations in connection with  
 515 investments in permitted reserves under subparagraph (a)4. or  
 516 subparagraph (a)5.
- 517 2. Satisfying obligations associated with the use, receipt,  
 518 or provision of standard custodial services.
- 519 3. Creating liquidity to meet reasonable expectations of  
 520 requests to redeem payment stablecoins, such that reserves in  
 521 the form of Treasury bills may be sold as purchased securities  
 522 for repurchase agreements with a maturity of 93 days or less,

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523 provided that either:

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

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

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

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

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

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

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

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

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

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552 or services from a competitor.

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

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

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

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

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

569 560.505 State certification.—

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

578 (2) No later than the date to be determined by the United  
 579 States Secretary of the Treasury each year, the office must  
 580 submit to the Stablecoin Certification Review Committee an

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581 additional certification that confirms the accuracy of the  
 582 initial certification submitted.

583 (3) The office must comply with the requirements of s.  
 584 4(c)(4) of the GENIUS Act to ensure the state receives  
 585 certification and annual recertification by the Stablecoin  
 586 Certification Review Committee of the state regulatory regime.

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

589 560.506 Rulemaking authority.—The commission shall adopt  
 590 rules to administer this part as required in s. 13 of the GENIUS  
 591 Act, Pub. L. No. 119-27. The commission shall also adopt rules  
 592 relating to capital, liquidity, and risk management which are  
 593 consistent with s. 4(a)(4) of the GENIUS Act, Pub. L. No. 119-  
 594 27. The commission may adopt rules establishing standards for  
 595 the conduct, supervision, examination, and regulation of  
 596 qualified payment stablecoin issuers, including requirements  
 597 relating to reserves, customer-asset protection, reporting, and  
 598 compliance, in order to meet the minimum requirements  
 599 established by the Stablecoin Certification Review Committee.

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

602 658.997 Qualified payment stablecoin issuers.—

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

604 (a) "Payment stablecoin" has the same meaning as in s.  
 605 560.103.

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

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610 purposes of this paragraph, the terms:

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

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

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

623 (2) EXEMPTIONS.—

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

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

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

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

637 2. Any transaction involving the receipt of payment  
 638 stablecoin by an individual between an account owned by the

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639 individual in the United States and an account owned by the  
 640 individual abroad which are offered by the same parent company.

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

644 (3) TRANSITION TO FEDERAL OVERSIGHT.—

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

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

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

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

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668 of any qualified payment stablecoin issuer.

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

673 (a) Issue payment stablecoins.

674 (b) Redeem payment stablecoins.

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

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

681 (5) MINIMUM PRUDENTIAL REQUIREMENTS.—

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

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

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

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

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

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

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

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

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

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

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

721 a. Establish clear and conspicuous procedures for timely  
 722 redemption of outstanding payment stablecoins.

723 b. Publicly, clearly, and conspicuously disclose in plain  
 724 language all fees associated with purchasing or redeeming the  
 725 payment stablecoins, provided that such fees can be changed only

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726 upon not less than 7 days' prior notice to consumers.

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

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

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

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

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

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

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

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

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

753 5. Engage a registered public accounting firm to conduct a  
 754 monthly examination of the previous month-end reserve report.

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754 For purposes of this subparagraph, the term "registered public  
 755 accounting firm" means a public accounting firm registered with  
 756 the Public Company Accounting Oversight Board.

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

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

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

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

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

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

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

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

781 b. Marketing a payment stablecoin in such a way that a  
 782 reasonable person would perceive the payment stablecoin to be  
 783

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784 legal tender, as described in 31 U.S.C. s. 5103, issued by the  
 785 United States, or guaranteed or approved by the United States  
 786 Government.

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

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

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

809 Section 13. This act shall take effect upon becoming a law.



# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

**COMMITTEES:**

Health Policy, *Chair*  
Judiciary, *Vice Chair*  
Agriculture  
Appropriations Committee on Health and  
Human Services  
Banking and Insurance  
Fiscal Policy  
Rules

**SENATOR COLLEEN BURTON**

12th District

February 4, 2026

The Honorable Jason Brodeur  
404 South Monroe Street  
416 Senate Office Building  
Tallahassee, Florida 32399

Dear Senator Brodeur,

I respectfully request SB 314 Issuers of Digital Assets be placed on the Appropriations Committee on Agriculture, Environment, and General Government agenda at your earliest convenience.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Colleen Burton".

CC: Giovanni Betta, Staff Director  
Julie Brass, Committee Administrative Assistant

REPLY TO:

- 1375 Havendale Boulevard, NW, Winter Haven, Florida 33881 (863) 413-1529
- 408 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5012

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

**BEN ALBRITTON**  
President of the Senate

**JASON BRODEUR**  
President Pro Tempore

2/18/26

The Florida Senate  
**APPEARANCE RECORD**

314

Meeting Date  
AEG

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

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name Ash Mason

Phone \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_

Street

City

State

Zip

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

**PLEASE CHECK ONE OF THE FOLLOWING:**

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

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

*FL Office of Financial Regulation*

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

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

S-001 (08/10/2021)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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BILL: CS/SB 530

INTRODUCER: Regulated Industries Committee and Senator Simon and others

SUBJECT: State Lotteries

DATE: February 17, 2026      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Baird</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>FP</u>	_____

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 530 amends ch. 24, F.S., relating to the Department of the Lottery (Lottery), by making updates to the operational, security, and enforcement frameworks of the state’s lottery system.

The bill introduces a formal definition for “ball machine” and refines the definitions for “retailer” by allowing the Lottery to become an authorized entity that can sell lottery tickets and “major procurement” by removing obsolete referencing to the startup of the Lottery. The bill makes other minor revisions that remove provisions dealing with the first year of ticket sales.

It also adjusts the Lottery’s administrative duties, notably by revising the schedule for comprehensive security reports submitted to the Governor and the Legislature.

The bill removes the requirement that all lottery drawings and ticket validations be monitored and requires that only drawings where ball machines are used to select winning numbers be monitored.

The bill removes the requirement that the Lottery must lease all vending machines and removes the requirement that the Lottery requires a performance bond for the duration of a contract with a retailer.

The bill increases the maximum bond amount for a lottery retailer and further authorizes the Lottery to maintain an interest-bearing account to secure retailer deposits.

The bill also authorizes sworn law enforcement officers the authority to purchase and present lottery tickets to claim prizes under specific investigative circumstances.

Finally, the bill establishes a penalty for persons who knowingly submit a false claim for payment to the Lottery and for any retailer or retailer employee who knowingly facilitates, participates in, or otherwise assists in the theft of a lottery ticket.

The bill has an indeterminate impact to state revenues and expenditures. *See Section V., Fiscal Impact Statement.*

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

## II. Present Situation:

### Overview of the Florida Lottery

In general gambling is illegal in Florida, however certain exceptions have been authorized.<sup>1</sup> In 1986, Florida voters approved an amendment to the Florida Constitution to allow the state to operate a lottery. Section 15 of Article X of the Florida Constitution provides as follows:

Lotteries may be operated by the state.... On the effective date of this amendment, the lotteries shall be known as the Florida Education Lotteries. Net proceeds derived from the lotteries shall be deposited to a state trust fund, to be designated The State Education Lotteries Trust Fund, to be appropriated by the Legislature. The schedule may be amended by general law.

In 1987, the Legislature created the Florida Public Education Lottery Act (act),<sup>2</sup> which established a state lottery system intended primarily to generate revenue for public education of the state.<sup>3</sup>

The Lottery is charged with supervising and operating the lottery in accordance with the provisions of the act and rules adopted pursuant thereto.<sup>4</sup>

In 1988, the Lottery began offering lottery games with a one dollar weekly drawing.<sup>5</sup> Since then, the Lottery has grown to include approximately 85 different scratch-off games available at over 13,000 retailer locations, with lottery ticket prices ranging from one dollar to \$50.<sup>6</sup>

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<sup>1</sup> Section 849.08, F.S.

<sup>2</sup> Subsections 24.101 – 24.124, F.S.

<sup>3</sup> Section 24.102, F.S.

<sup>4</sup> Section 24.105(2), F.S.

<sup>5</sup> Florida Lottery, *About*, <https://floridalottery.com/about> (last visited Feb. 5, 2026). *See also*, Florida Lottery, *Our History: Over Three Decades of Fun, 1986 – 1999*, <https://floridalottery.com/about#accordion-fa2a0d8721-item-dd8693faba> (last visited Feb. 5, 2026).

<sup>6</sup> Florida Lottery, *Scratch Offs*, <https://floridalottery.com/games/scratch-offs> (last visited Feb. 26, 2026).

The Lottery receives no funding from General Revenue and is fully funded through ticket sales. Proceeds from ticket sales are deposited into the Lottery's Operating Trust Fund.<sup>7</sup> After covering administrative and other operational costs, the remaining funds are transferred monthly to the Educational Enhancement Trust Fund (EETF) to help support public education improvements, including the funding of the Florida Bright Future Scholarship Program.<sup>8</sup>

The Lottery consistently ranks near the top among U.S. lotteries in total sales. During its 37 years of operation the Lottery generated over \$155 billion in revenues and transferred more than \$48 billion to education.<sup>9</sup> During Fiscal Year 2024-25, the Lottery achieved \$9.1 billion in sales and transferred over \$2.16 billion to the Educational Enhancement Trust Fund (EETF). Florida ranked first among U.S. lotteries in total sales and seventh in per capita sales for Fiscal Year 2024-25.<sup>10</sup> The Lottery also maintains one of the lowest operating expense rates among state lotteries.<sup>11</sup>

The Lottery is required to supervise and administer the operation of the lottery in a manner that maximizes revenue for education while maintaining the dignity of the state and the welfare of its citizens. Some of the notable requirements of the Lottery are as follows:

- Must submit monthly and annual reports to the Governor, Chief Financial Officer, and the leadership of both legislative chambers, detailing total revenues, prize disbursements, and all other expenses.<sup>12</sup>
- Maintain weekly or more frequent records of lottery transactions, including ticket distribution to retailers, revenue received, and claims for prizes.<sup>13</sup>
- Conduct a "continuing study" to identify any defects in the law or rules that could result in abuses in the administration of the lottery.<sup>14</sup>
- Every two years the Lottery must engage an independent firm to conduct a comprehensive study and evaluation of all security procedures, including computer and security systems.<sup>15</sup>
- Every single lottery drawing must be witnessed by an accountant from an independent firm who must inspect the equipment both before and after the drawing.<sup>16</sup>

The Lottery maintains an accredited, fully operational state law enforcement agency known as the Division of Security (Division), which is tasked with protecting the integrity of the lottery and ensuring compliance with all state gaming laws.<sup>17</sup>

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<sup>7</sup> Section 24.121, F.S.

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

<sup>9</sup> Florida Lottery, *Annual Report Comprehensive Financial Report for the Fiscal Years Ended June 30, 2025, and 2024* (January 29, 2026), <https://floridalottery.com/content/dam/flalottery-web/files/annual-reports/2025-financial-report.pdf>, (last visited Feb. 5, 2026).

<sup>10</sup> Office of Program Policy Analysis and Government Accountability (OPPAGA), *Review of the Florida Lottery: 2025*, Report 26-01 (January 2026), p. 1, <https://oppaga.fl.gov/Documents/Reports/26-01.pdf> (last visited Feb. 5, 2026).

<sup>11</sup> *Id.* at p. i.

<sup>12</sup> Section 24.105(4), F.S.

<sup>13</sup> Section 24.105(6), F.S.

<sup>14</sup> Section 24.105(7), F.S.

<sup>15</sup> Section 24.108(7), F.S.

<sup>16</sup> Section 24.105(9), F.S.

<sup>17</sup> Section 24.108, F.S.

## Lottery Games

The Lottery is authorized to offer a diverse portfolio of gaming products, ranging from instant-win “scratch-off” tickets to terminal-generated draw games such as Powerball, Mega Millions, and the Florida Lotto.<sup>18</sup> For games that rely on a physical random selection process, the Lottery utilizes specialized equipment that is designed to mechanically mix a set of numbered balls and randomly draw from that mix to determine the winning numbers for a specific game.<sup>19</sup>

The term “major procurement” refers to any contract for the printing of lottery tickets, startup consultation services, or the goods and services involving the official recording of player selections or the use of ball machines.<sup>20</sup> Because of the sensitive nature of these contracts, the Lottery is mandated to investigate the financial responsibility, security, and integrity of every vendor submitting a bid or proposal.<sup>21</sup>

The Lottery has competitively procured the services of Thomas Howell Ferguson, P.A. in Tallahassee and their staff assist Division employees in overseeing lottery draws.<sup>22</sup>

## Lottery Retailers

The Lottery utilizes a vast network of more than 13,000 authorized retailers<sup>23</sup> to bring lottery products to the public, selecting these business partners based on statutory criteria such as financial responsibility, integrity, reputation, and the security of their premises. The Lottery has the authority to enter any premises where lottery tickets are sold to perform their duties and may search and inspect these premises without a warrant if they have reason to believe a violation has occurred.<sup>24</sup> The Lottery is empowered to immediately suspend or terminate a retailer’s contract for the commission of any fraud, deceit, or misrepresentation.<sup>25</sup>

## Vending Machines

In 2012, the Lottery received authorization for vending machines to dispense draw-game tickets, scratch-off tickets, and to serve as full-service vending machines that sell both types of games.<sup>26</sup>

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<sup>18</sup> Section 24.105(9)(a), F.S.

<sup>19</sup> Section 24.103(1), F.S.

<sup>20</sup> Section 24.103(2), F.S.

<sup>21</sup> Section 24.111(2), F.S.

<sup>22</sup> Department of Lottery, *2026 Agency Legislative Bill Analysis for SB 530* (Dec. 4, 2025) (on file with the Senate Committee on Regulated Industries).

<sup>23</sup> Florida Lottery, *Do Business with Us, Retailers*, <https://floridalottery.com/business/retailers> (last visited Feb. 5, 2026).

<sup>24</sup> Section 24.108(2), F.S.

<sup>25</sup> Section 24.112(5), F.S.

<sup>26</sup> Florida Lottery, *About Us, 2010-2019*, <https://floridalottery.com/about#accordion-fa2a0d8721-item-981fabe38e> (last visited Feb. 5, 2026). *See also*, Department of Lottery, *2026 Agency Legislative Bill Analysis for SB 530* (Dec. 4, 2025) (on file with the Senate Committee on Regulated Industries), *available at*: The Florida Senate, Committees, Committee on Regulated Industries, 2026 Meeting Records, *January 27, 2026 Meeting Records, Post-Meeting Packet*, <https://www.flsenate.gov/Committees/DownloadMeetingDocument/8137>, p. 23 (last visited Feb. 5, 2026)

The Lottery is currently required to *lease all vending machines* that dispense online lottery tickets, instant lottery tickets or both.<sup>27</sup> The owner of the vending machines must post a performance bond for the duration of the contract.<sup>28</sup>

Before a contract is signed, the Lottery must investigate the potential retailer's financial responsibility, integrity, reputation, and the security of their business premises.<sup>29</sup> Retailers using lottery vending must keep them in a direct line of sight to prevent sales to minors and ensure at least one employee is on duty during operation.<sup>30</sup> In addition to the line of sight and staffing requirements, every vending machine must be capable of being electronically deactivated for a period of at least five minutes.<sup>31</sup>

The lottery vending machines are prohibited from using video reels, mechanical reels, or any video depictions of slot machines or casino game themes for actual game play.<sup>32</sup> Retailers must post a clear and conspicuous sign on every player-activated machine stating that the sale of tickets to persons under 18 is against the law and that proof of age is required.<sup>33</sup> Currently, the Legislature has capped the maximum number of authorized vending machines at 3,000 and there are currently 3,000 vending machines deployed across the state.<sup>34</sup>

Section 24.112(15), F.S., also outlines specific requirements for a vending machine, including the requirement that a vending machine must "dispense a lottery ticket after a purchaser inserts a coin or currency in the machine." This statutory limitation contrasts with evolving financial behavior of consumers, who increasingly rely on electronic payment methods like debit cards and digital wallets for retail transactions.

Lottery vending machines are provided by the Lottery's gaming system vendor, International Game Technology (IGT).<sup>35</sup>

### **Enforcement of Lottery Crimes**

Under current Florida law, lottery-specific theft and fraud are primarily addressed through a combination of administrative rules and general criminal statutes. Currently, s. 24.118, F.S., serves as the primary deterrent for fraud, classifying the knowing presentation of a counterfeit or altered lottery ticket as a felony of the third degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084, F.S.<sup>36</sup> The Division is the primary enforcement authority that deals with lottery crimes.

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<sup>27</sup> Section 24.111(2)(h), F.S.

<sup>28</sup> Section 24.111(2)(i), F.S.

<sup>29</sup> Section 24.112(2), F.S.

<sup>30</sup> Section 24.112(15), F.S.

<sup>31</sup> Section 24.112(15)(a), F.S.

<sup>32</sup> Section 24.112(15)(d), F.S. The law does however allow casino-style themes and titles for their tickets or static signage.

<sup>33</sup> Section 24.1055(2), F.S.

<sup>34</sup> Department of Lottery, *2026 Agency Legislative Bill Analysis for SB 530* (Dec. 4, 2025) (on file with the Senate Committee on Regulated Industries)

<sup>35</sup> *Id.*

<sup>36</sup> Section 24.118(3)(d), F.S.

The Division is headed by a director who must be qualified in law enforcement, and all investigators are designated as sworn law enforcement officers with the power to investigate and arrest for any violation of the act.<sup>37</sup> These officers are legally authorized to enter any premises where lottery tickets are sold, without a warrant, if they have reason to believe a violation of the law is occurring.<sup>38</sup>

During Fiscal Year 2024-25, the Division completed 286 claims investigations, shut down an unauthorized online lottery courier service,<sup>39</sup> completed 52 compliance investigations and 2,025 retailer inspections.<sup>40</sup> These investigations led to eight arrest warrants, eight arrests, four retailer terminations, and one retailer suspension.<sup>41</sup>

There is uncertainty as to whether s. 24.118, F.S., captures all the modern criminal schemes involved with the present-day lottery situation because the law focuses heavily on the physical tampering of tickets rather than the behavioral fraud committed by retailers, such as “micro-scratching” or deceiving a customer about a ticket’s winning status.<sup>42</sup>

Additionally, officers and employees of the Lottery are prevented from purchasing a lottery ticket.<sup>43</sup> This limits the Lottery’s ability to conduct undercover operations that involve officers purchasing lottery tickets to draw out criminal activity by retailers.

### Security Study

Currently, the Lottery is authorized to engage an independent firm experienced in security procedures to conduct a comprehensive study and evaluation of all aspects of the Lottery’s security. The report must be conducted as the Lottery deems appropriate, but at least once every two years. The report’s overall evaluation of security is provided to the Governor and the Legislature. Recommendations related to security are considered confidential and are only presented to the Governor and the Auditor General. If it is determined the confidential security recommendations should be disclosed for purposes of effecting legislative change, the report is disclosed to the Legislature. Such security recommendations remain confidential.

### III. Effect of Proposed Changes:

**Section 1** amends s. 24.103, F.S., relating to definitions, to define a “ball machine” as a device that mechanically mixes a set of numbered balls and then randomly draws from that mix to determine the winning numbers for a specific game. The term “retailer” is amended to include

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<sup>37</sup> Section 24.108(1), F.S.

<sup>38</sup> Section 24.108(2), F.S.

<sup>39</sup> Office of Program Policy Analysis and Government Accountability (OPPAGA), *Review of the Florida Lottery: 2025*, Report 26-01 (January 2026), <https://oppaga.fl.gov/Documents/Reports/26-01.pdf> (last visited Feb. 5, 2026).

<sup>40</sup> *Id* at 11. Of the 286 investigations, 233 stemmed from altered ticket claims, 33 from lost or stolen ticket claims, 12 from false claims and eight from check fraud claims.

<sup>41</sup> *Id* at 11.

<sup>42</sup> OPPAGA Report No. 23-02, “*Review of the Florida Lottery*” (2022-2024), stating in part, that while security inspections have increased, “unauthorized activity” such as ticket alteration and retailer theft persists; <https://oppaga.fl.gov/Documents/Reports/23-02.pdf> (last visited Feb. 5, 2026).

<sup>43</sup> Section 24.116(2), F.S.

the Lottery as an option of who can sell lottery tickets. The term “major procurement” is amended to remove obsolete language related to the startup of the Lottery.

**Section 2** amends s. 24.105, F.S., relating to powers and duties of the Lottery, to clarify that lottery games involving the use of a ball machine must be witnessed by the public and an accountant employed by an independent certified accounting firm. Additionally, the bill removes obsolete language referencing the first year of ticket sales.

**Section 3** amends s. 24.108, F.S., relating to the Division of Security, to enhance operational flexibility for the Division in monitoring lottery draw games that do not use a ball machine. This section leaves in the stringent requirement ball machine game drawings are still monitored but allows the Division to *not* monitor games that do not involve a ball machine to select winning numbers.

This section removes obsolete language pertaining to the Lottery start up. The bill requires the Lottery to conduct the required biennial independent comprehensive security audit by July 1, 2027, and once every two years thereafter.

**Section 4** amends s. 24.111, F.S., relating to lottery vendors, to remove the requirement the Lottery must lease all vending machines and that the Lottery must require a performance bond for the duration of any vendor contract.

Current law requires the Lottery to lease all vending machines, as opposed to purchasing the machines themselves, and requires that all contracts with vendors include a performance bond for the duration of the contract.

**Section 5** amends s. 24.112, F.S., relating to retailers of lottery tickets and authorization of vending machines to dispense lottery tickets, by doing the following:

- Authorizes the Lottery to maintain an interest-bearing account for lottery retailers to deposit and maintain their securities.
- Increases the required retailer bond from twice to three times the average ticket sales and authorizes alternative deposit options.

**Section 6** amends s. 24.116, F.S., relating to unlawful purchase of lottery tickets, to authorize Division employees, who are sworn law enforcement personnel, to purchase lottery tickets when such purchases are deemed necessary as part of an ongoing investigation, and compliance operations. This would keep the prohibition on officers not part of an ongoing investigation and employees and their family members from purchasing lottery tickets.

**Section 7** amends s. 24.118, F.S., relating to other prohibited acts; to create a new third degree felony for persons who knowingly and willfully submit a false claim for payment to the Lottery.<sup>44</sup>

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<sup>44</sup> A third degree felony is punishable by a term of imprisonment not to exceed five years and up to a \$5,000 fine. Sections 775.082, 775.083, F.S., and 775.084. Under s. 775.084, violent career criminals, habitual felony offenders, habitual violent felony offenders or three-time felony offenders, the court may sentence such third degree felony offenders to five to 10 years, not exceeding 15 years, imprisonment.

Additionally, the bill creates an additional new third degree felony for any retailer or retailer's employee who knowingly facilitates, participates in, or otherwise assists in the theft of a lottery ticket as a felony in the third degree as provided in ss. 775.082, 775.083, and 775.084, F.S.<sup>45</sup>

The bill amends the definitions of "patron" and "customer" to include a sworn law enforcement officer of the Lottery who, in the course of their official duties, presents a lottery ticket to a lottery retailer to claim a prize.

**Section 8** 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:**

The increase in retailer bond from twice to three times the average ticket sales may effect retailers' insurance premiums, securities or available cash funds.

---

<sup>45</sup> A third degree felony is punishable by a term of imprisonment not to exceed five years and up to a \$5,000 fine. Sections 775.082, 775.083, F.S., and 775.084. Under s. 775.084, violent career criminals, habitual felony offenders, habitual violent felony offenders or three-time felony offenders, the court may sentence such third degree felony offenders to five to 10 years, not exceeding 15 years, imprisonment.

The bill creates third degree felonies related to false claims and theft of lottery tickets by a retailer or retailer's employee. To the extent the Division investigates, makes arrests and such cases are successfully prosecuted, retailers and their employees may incur costs associated with defense of such claims. Such convictions carry up to a five year prison sentence and a \$5,000 fine.

**C. Government Sector Impact:**

The bill has an indeterminate impact to state revenues and expenditures. The Lottery anticipates a positive fiscal impact on expenditures from cost savings due to a reduction in time required by a third-party auditor, increased flexibility, and the changes made to Division of Security personnel dedicated to monitoring promotional drawings.<sup>46</sup>

The bill creates two new third degree felonies for violations of s. 24.118, F.S., which are punishable by up to five years in prison. The impact to prison beds and to the State Court system is indeterminate, but likely insignificant.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 24.103, 24.105, 24.108, 24.111, 24.112, 24.116, and 24.118.

**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 Regulated Industries on January 27, 2026:**

The committee substitute amended SB 530 in the following ways:

- Removed language that would allow the Department of the Lottery to create rules regarding the acceptable forms of payment for ticket purchases.
- Removed the provision that would allow the Department of the Lottery to accept noncredit/cashless (debit cards) payment methods at lottery vending machines.

**B. Amendments:**

None.

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

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<sup>46</sup> *Id.*

By the Committee on Regulated Industries; and Senators Simon and Pizzo

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1 A bill to be entitled  
 2 An act relating to state lotteries; amending s.  
 3 24.103, F.S.; defining the term "ball machine";  
 4 revising the definitions of the terms "major  
 5 procurement" and "retailer"; amending s. 24.105, F.S.;  
 6 revising the powers and duties of the Department of  
 7 the Lottery; amending s. 24.108, F.S.; revising the  
 8 schedule for the department to have a certain report  
 9 produced and submitted to the Governor and the  
 10 Legislature; amending s. 24.111, F.S.; revising the  
 11 information required to be provided to the department  
 12 by persons who submit a bid, a proposal, or an offer  
 13 to negotiate a contract for major procurement;  
 14 amending s. 24.112, F.S.; revising the bond amount a  
 15 retailer may be required to post for the period within  
 16 which the retailer is required to remit lottery funds  
 17 to the department; revising certain requirements  
 18 relating to lottery vending machines; amending s.  
 19 24.116, F.S.; authorizing the Division of Security's  
 20 sworn law enforcement officers to purchase and present  
 21 lottery tickets to a lottery retailer to claim a prize  
 22 under certain circumstances; amending s. 24.118, F.S.;  
 23 revising certain prohibitions and penalties relating  
 24 to presenting a counterfeit or altered state lottery  
 25 ticket; prohibiting certain false claims relating to  
 26 state lottery tickets; prohibiting a lottery retailer  
 27 or an employee thereof from using such position to  
 28 knowingly facilitate, participate in, or otherwise  
 29 assist in the theft of a lottery ticket from a retail

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30 establishment, patron, or customer; providing criminal  
 31 penalties; defining the terms "patron" and "customer";  
 32 providing an effective date.  
 33

34 Be It Enacted by the Legislature of the State of Florida:  
 35

36 Section 1. Present subsections (1) through (6) of section  
 37 24.103, Florida Statutes, are redesignated as subsections (2)  
 38 through (7), respectively, a new subsection (1) is added to that  
 39 section, and present subsections (2) and (4) of that section are  
 40 amended, to read:

41 24.103 Definitions.—As used in this act:

42 (1) "Ball machine" means a device that mechanically mixes a  
 43 set of numbered balls and then randomly draws from that mix to  
 44 determine the winning numbers for a specific game.

45 (3)(2) "Major procurement" means a procurement for a  
 46 contract for the printing of tickets for use in any lottery  
 47 game, ~~consultation services for the startup of the lottery,~~ any  
 48 goods or services involving the official recording for lottery  
 49 game play purposes of a player's selections in any lottery game  
 50 involving player selections, any goods or services involving the  
 51 receiving of a player's selection directly from a player in any  
 52 lottery game involving player selections, any goods or services  
 53 involving the drawing, determination, or generation of winners  
 54 in any lottery game, the security report services provided for  
 55 in this act, or any goods and services relating to marketing and  
 56 promotion which exceed a value of \$25,000.

57 (5)(4) "Retailer" means the department or a person who  
 58 sells lottery tickets on behalf of the department pursuant to a

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59 contract.

60 Section 2. Section. 2. Paragraphs (a) and (d) of  
61 subsection (9) and subsection (17) of section 24.105, Florida  
62 Statutes, are amended to read:

63 24.105 Powers and duties of department.—The department  
64 shall:

65 (9) Adopt rules governing the establishment and operation  
66 of the state lottery, including:

67 (a) The type of lottery games to be conducted, except that:

68 1. ~~The~~ No name of an elected official may not ~~shall~~ appear  
69 on the ticket or play slip of any lottery game or on any prize  
70 or on any instrument used for the payment of prizes, unless such  
71 prize is in the form of a state warrant.

72 2. ~~No~~ Coins or currency may not ~~shall~~ be dispensed from any  
73 electronic computer terminal or device used in any lottery game.

74 3. Other than as specifically provided in s. 24.112, ~~a~~ no  
75 terminal or device may not be used for any lottery game which  
76 may be operated solely by the player without the assistance of  
77 the retailer.

78 (d) The method of selecting winning tickets. However, if a  
79 lottery game involves the use of a ball machine to conduct a  
80 drawing, the drawing must ~~shall~~ be public and witnessed by an  
81 accountant employed by an independent certified public  
82 accounting firm. The department shall inspect the equipment used  
83 in the drawing ~~shall be inspected~~ before and after the drawing.

84 (17) ~~Have the authority to~~ Enter into agreements with other  
85 states for the operation and promotion of a multistate lottery  
86 if such agreements are in the best interest of the state  
87 lottery. ~~The authority conferred by this subsection is not~~

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88 ~~effective until 1 year after the first day of lottery ticket~~  
89 ~~sales.~~

90 Section 3. Subsections (6) and (7) of section 24.108,  
91 Florida Statutes, are amended to read:

92 24.108 Division of Security; duties; security report.—

93 (6) The division shall monitor ticket validation and  
94 lottery drawings where ball machines are used to select winning  
95 numbers.

96 (7) (a) By July 1, 2027, and once every 2 years thereafter  
97 ~~After the first full year of sales of tickets to the public, or~~  
98 ~~sooner if the secretary deems necessary,~~ the department shall  
99 engage an independent firm experienced in security procedures,  
100 including, but not limited to, computer security and systems  
101 security, to conduct a comprehensive study and evaluation of all  
102 aspects of security in the operation of the department.

103 (b) The portion of the security report containing the  
104 overall evaluation of the department in terms of each aspect of  
105 security must ~~shall~~ be presented to the Governor, the President  
106 of the Senate, and the Speaker of the House of Representatives.  
107 The portion of the security report containing specific  
108 recommendations is ~~shall be~~ confidential and must ~~shall~~ be  
109 presented only to the secretary, the Governor, and the Auditor  
110 General; however, upon certification that such information is  
111 necessary for the purpose of effecting legislative changes, such  
112 information must ~~shall~~ be disclosed to the President of the  
113 Senate and the Speaker of the House of Representatives, who may  
114 disclose such information to members of the Legislature and  
115 legislative staff as necessary to effect such purpose. However,  
116 any person who receives a copy of such information or other

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117 information which is confidential pursuant to this act or rule  
 118 of the department shall maintain its confidentiality. The  
 119 confidential portion of the report is exempt from the provisions  
 120 ~~of~~ s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

121 ~~(c) Thereafter, similar studies of security shall be~~  
 122 ~~conducted as the department deems appropriate but at least once~~  
 123 ~~every 2 years.~~

124 Section 4. Subsection (2) of section 24.111, Florida  
 125 Statutes, is amended to read:

126 24.111 Vendors; disclosure and contract requirements.-

127 (2) The department shall investigate the financial  
 128 responsibility, security, and integrity of each vendor with  
 129 which it intends to negotiate a contract for major procurement.  
 130 Such investigation may include an investigation of the financial  
 131 responsibility, security, and integrity of any or all persons  
 132 whose names and addresses are required to be disclosed pursuant  
 133 to paragraph (a). Any person who submits a bid, a proposal, or  
 134 an offer as part of a major procurement must, at the time of  
 135 submitting such bid, proposal, or offer, provide the following:

136 (a) A disclosure of the vendor's name and address and, as  
 137 applicable, the name and address and any additional disclosures  
 138 necessary for an investigation of the financial responsibility,  
 139 security, and integrity of the following:

140 1. If the vendor is a corporation, the officers, directors,  
 141 and each stockholder in such corporation; except that, in the  
 142 case of owners of equity securities of a publicly traded  
 143 corporation, only the names and addresses of those known to the  
 144 corporation to own beneficially 5 percent or more of such  
 145 securities need be disclosed.

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146 2. If the vendor is a trust, the trustee and all persons  
 147 entitled to receive income or benefit from the trust.

148 3. If the vendor is an association, the members, officers,  
 149 and directors.

150 4. If the vendor is a partnership or joint venture, all of  
 151 the general partners, limited partners, or joint venturers.

152  
 153 If the vendor subcontracts any substantial portion of the work  
 154 to be performed to a subcontractor, the vendor must ~~shall~~  
 155 disclose all of the information required by this paragraph for  
 156 the subcontractor as if the subcontractor were itself a vendor.

157 (b) A disclosure of all the states and jurisdictions in  
 158 which the vendor does business and of the nature of that  
 159 business for each such state or jurisdiction.

160 (c) A disclosure of all the states and jurisdictions in  
 161 which the vendor has contracts to supply gaming goods or  
 162 services, including, but not limited to, lottery goods and  
 163 services, and of the nature of the goods or services involved  
 164 for each such state or jurisdiction.

165 (d) A disclosure of all the states and jurisdictions in  
 166 which the vendor has applied for, has sought renewal of, has  
 167 received, has been denied, has pending, or has had revoked a  
 168 gaming license or contract of any kind and of the disposition of  
 169 such in each such state or jurisdiction. If any gaming license  
 170 or contract has been revoked or has not been renewed or any  
 171 gaming license or contract application has been either denied or  
 172 is pending and has remained pending for more than 6 months, all  
 173 of the facts and circumstances underlying this failure to  
 174 receive such a license must be disclosed.

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175 (e) A disclosure of the details of any conviction or  
 176 judgment of a state or federal court of the vendor of any felony  
 177 or any other criminal offense other than a traffic violation.

178 (f) A disclosure of the details of any bankruptcy,  
 179 insolvency, reorganization, or any pending litigation of the  
 180 vendor.

181 (g) Such additional disclosures and information as the  
 182 department may determine to be appropriate for the procurement  
 183 involved.

184 ~~(h) The department shall lease all vending machines that~~  
 185 ~~dispense online lottery tickets, instant lottery tickets, or~~  
 186 ~~both online and instant lottery tickets.~~

187 ~~(i) The department will require a performance bond for the~~  
 188 ~~duration of the contract.~~

189

190 The department ~~may shall~~ not contract with any vendor who fails  
 191 to make the disclosures required by this subsection, and any  
 192 contract with a vendor who has failed to make the required  
 193 disclosures ~~is shall be~~ unenforceable. Any contract with any  
 194 vendor who does not comply with such requirements for  
 195 periodically updating such disclosures during the tenure of such  
 196 contract as may be specified in such contract may be terminated  
 197 by the department. This subsection ~~must shall~~ be construed  
 198 broadly and liberally to achieve the ends of full disclosure of  
 199 all information necessary to allow for a full and complete  
 200 evaluation by the department of the competence, integrity,  
 201 background, and character of vendors for major procurements.

202 Section 5. Subsection (9) and paragraph (a) of subsection  
 203 (15) of section 24.112, Florida Statutes, are amended to read:

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204 24.112 Retailers of lottery tickets; authorization of  
 205 vending machines to dispense lottery tickets.-

206 (9) (a) The department may require every retailer to post an  
 207 appropriate bond as determined by the department, using an  
 208 insurance company acceptable to the department, in an amount not  
 209 to exceed three times ~~twice~~ the average lottery ticket sales of  
 210 the retailer for the period within which the retailer is  
 211 required to remit lottery funds to the department. For the first  
 212 90 days of sales of a new retailer, the amount of the bond may  
 213 not exceed three times ~~twice~~ the average estimated lottery  
 214 ticket sales for the period within which the retailer is  
 215 required to remit lottery funds to the department. This  
 216 paragraph does shall not apply to lottery tickets which are  
 217 prepaid by the retailer.

218 (b) In lieu of such bond, the department may do any of the  
 219 following:

220 1. Purchase blanket bonds covering all or selected  
 221 retailers.

222 2. ~~or may~~ Allow a retailer to deposit and maintain with the  
 223 Chief Financial Officer securities that are interest bearing or  
 224 accruing and that, with the exception of those specified in sub-  
 225 subparagraphs a. and b. ~~subparagraphs 1. and 2.~~, are rated in  
 226 one of the four highest classifications by an established  
 227 nationally recognized investment rating service. Securities  
 228 eligible under this subparagraph ~~paragraph shall be~~ limited  
 229 to:

230 ~~a.1.~~ Certificates of deposit issued by solvent banks or  
 231 savings associations organized and existing under the laws of  
 232 this state or under the laws of the United States and having

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233 their principal place of business in this state.  
 234 ~~b.2-~~ United States bonds, notes, and bills for which the  
 235 full faith and credit of the government of the United States is  
 236 pledged for the payment of principal and interest.  
 237 ~~c.3-~~ General obligation bonds and notes of any political  
 238 subdivision of the state.  
 239 ~~d.4-~~ Corporate bonds of any corporation that is not an  
 240 affiliate or subsidiary of the depositor.  
 241 3. Allow a retailer to remit funds to the department for  
 242 deposit in an interest-bearing bank account held by the  
 243 department.  
 244  
 245 Such securities ~~shall~~ must be held in trust and ~~shall~~ have at  
 246 all times a market value at least equal to an amount required by  
 247 the department.  
 248 (15) A vending machine may be used to dispense ~~online~~  
 249 ~~lottery tickets, instant lottery tickets, or~~ both online and  
 250 instant lottery tickets.  
 251 (a) The vending machine must:  
 252 1. Dispense a lottery ticket following receipt of payment  
 253 after a purchaser inserts a coin or currency in the machine;  
 254 2. Be capable of being electronically deactivated for a  
 255 period of 5 minutes or more; ~~and-~~  
 256 3. Be designed to prevent its use for any purpose other  
 257 than dispensing a lottery ticket.  
 258 Section 6. Subsection (2) of section 24.116, Florida  
 259 Statutes, is amended to read:  
 260 24.116 Unlawful purchase of lottery tickets; penalty.-  
 261 (2) An ~~No~~ officer or employee of the department or any

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262 relative living in the same household with such officer or  
 263 employee may not purchase a lottery ticket. Sworn law  
 264 enforcement officers employed by the Division of Security may  
 265 purchase lottery tickets and present lottery tickets to a  
 266 lottery retailer to claim a prize when such purchase or  
 267 presentation of lottery tickets is necessary for the performance  
 268 of the officers' official duties, including, but not limited to,  
 269 compliance operations and investigations.  
 270 Section 7. Subsection (3) of section 24.118, Florida  
 271 Statutes, is amended, and subsections (5) and (6) are added to  
 272 that section, to read:  
 273 24.118 Other prohibited acts; penalties.-  
 274 (3) COUNTERFEIT OR ALTERED TICKETS.-A Any person who:  
 275 (a) Knowingly presents a counterfeit or altered state  
 276 lottery ticket;  
 277 (b) Knowingly transfers a counterfeit or altered state  
 278 lottery ticket to another to present for payment; or  
 279 (c) With intent to defraud, falsely makes, alters, forges,  
 280 passes, or counterfeits a state lottery ticket; ~~or~~  
 281 ~~(d) Files with the department a claim for payment based~~  
 282 ~~upon facts alleged by the claimant which facts are untrue and~~  
 283 ~~known by the claimant to be untrue when the claim is made;~~  
 284  
 285 ~~commits is guilty of~~ a felony of the third degree, punishable as  
 286 provided in s. 775.082, s. 775.083, or s. 775.084.  
 287 (5) FALSE CLAIM.-A person may not, when presenting or  
 288 causing to be presented any claim for payment or approval to an  
 289 officer or employee of the department or to a lottery retailer,  
 290 knowingly and willfully:

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291 (a) Falsify or conceal a material fact;  
292 (b) Make a false, fictitious, or fraudulent statement or  
293 representation relating to a material fact; or  
294 (c) Make or use any false document, knowing the document  
295 contains a false, fictitious, or fraudulent statement or entry  
296 relating to a material fact.  
297  
298 A person who violates this subsection commits a felony of the  
299 third degree, punishable as provided in s. 775.082, s. 775.083,  
300 or s. 775.084.  
301 (6) THEFT OF LOTTERY TICKET BY RETAILER.—  
302 (a) A lottery retailer or an employee thereof may not use  
303 his or her position to knowingly facilitate, participate in, or  
304 otherwise assist in the theft of any lottery ticket from the  
305 retail establishment or from a patron or customer of the retail  
306 establishment.  
307 (b) A person who violates paragraph (a) commits a felony of  
308 the third degree, punishable as provided in s. 775.082, s.  
309 775.083, or s. 775.084.  
310 (c) As used in this subsection, the terms “patron” and  
311 “customer” include a sworn law enforcement officer of the  
312 Division of Security presenting a lottery ticket to a lottery  
313 retailer to claim a prize during the performance of the law  
314 enforcement officer’s official duties.  
315 Section 8. This act shall take effect July 1, 2026.



The Florida Senate

## Committee Agenda Request

**To:** Senator Jason Brodeur, Chair  
Appropriations Committee on Agriculture, Environment, and General  
Government

**Subject:** Committee Agenda Request

**Date:** January 27<sup>th</sup>, 2026

---

I respectfully request that Senate Bill # 530, relating to State Lotteries, be placed on the:

- Committee agenda at your earliest possible convenience.
- Next committee agenda.

A handwritten signature in blue ink, appearing to read "Corey Simon", written over a horizontal line.

Senator Corey Simon  
Florida Senate, District 3

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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BILL: CS/SB 576

INTRODUCER: Governmental Oversight and Accountability Committee and Senator Harrell

SUBJECT: Local Government Cybersecurity

DATE: February 17, 2026

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Harmsen</u>	<u>McVaney</u>	<u>GO</u>	<u>Fav/CS</u>
2.	<u>Hunter</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>AP</u>	_____

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 576 creates the Local Government Cybersecurity Protection Program, which will be administered by the Florida Digital Service (FLDS), to provide information technology (IT) commodities and services to local government participants to develop and enhance their cybersecurity risk management programs consistent with s. 282.3185, F.S., and to assist local governments with mitigation and defense against cybersecurity threats, including ransomware incidents. The FLDS may use federal grants to further the program.

The program will be administered based on objective eligibility and evaluation criteria and will prioritize fiscally constrained counties.

The bill requires the FLDS to enter into data-sharing agreements with local governments as necessary to facilitate the collection, analysis, and exchange of security-related information to support the detection, prevention, and response to cybersecurity incidents.

The impact on local government revenues and expenditures is indeterminate. Local government may experience cost savings if it receives programs and software that would otherwise be funded with local revenues.

The bill takes effect July 1, 2026.

## II. Present Situation:

The Department of Management Services (DMS) oversees information technology (IT)<sup>1</sup> governance and security for the executive branch in Florida.<sup>2</sup> The Florida Digital Service (FLDS) is housed within the DMS and was established in 2020 to replace the Division of State Technology.<sup>3</sup> The FLDS works under the DMS to implement policies for information technology and cybersecurity for state agencies.<sup>4</sup>

The head of the FLDS is appointed by the Secretary of Management Services<sup>5</sup> and serves as the state chief information officer (CIO).<sup>6</sup> The CIO must have at least five years of experience in the development of IT system strategic planning and IT policy and, preferably, have leadership-level experience in the design, development, and deployment of interoperable software and data solutions.<sup>7</sup> The FLDS must propose innovative solutions that securely modernize state government, including technology and information services, to achieve value through digital transformation and interoperability, and to fully support Florida's cloud first policy.<sup>8</sup>

The DMS, through the FLDS, has the following powers, duties, and functions:

- Develop IT policy for the management of the state's IT resources;
- Develop an enterprise architecture;
- Establish project management and oversight standards with which state agencies must comply when implementing IT projects;
- Perform project oversight on all state agency IT projects that have a total cost of \$10 million or more and that are funded in the General Appropriations Act or any other law; and
- Identify opportunities for standardization and consolidation of IT services that support interoperability, Florida's cloud first policy, and business functions and operations that are common across state agencies.<sup>9</sup>

### State Cybersecurity Act

The State Cybersecurity Act<sup>10</sup> (the Cybersecurity Act) requires the DMS, acting through the FLDS, to establish standards and processes for assessing state agencies' cybersecurity risks and determine appropriate security measures. For purposes of the State Cybersecurity Act, a "state agency" is any official, officer, commission, board, authority, council, committee, or department

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<sup>1</sup> The term "information technology" means equipment, hardware, software, firmware, programs, systems, networks, infrastructure, media, and related material used to automatically, electronically, and wirelessly collect, receive, access, transmit, display, store, record, retrieve, analyze, evaluate, process, classify, manipulate, manage, assimilate, control, communicate, exchange, convert, converge, interface, switch, or disseminate information of any kind or form. Section 282.0041(20), F.S.

<sup>2</sup> See s. 20.22, F.S.

<sup>3</sup> Chapter 2020-161, L.O.F.

<sup>4</sup> See s. 20.22(2)(b), F.S.

<sup>5</sup> The Secretary of Management Services serves as the head of the DMS and is appointed by the Governor, subject to confirmation by the Senate. Section 20.22(1), F.S.

<sup>6</sup> Section 282.0051(2)(a), F.S.

<sup>7</sup> *Id.*

<sup>8</sup> Section 282.0051 (1), F.S.

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

<sup>10</sup> Section 282.318(1), F.S.

of the executive branch and specifically includes the Department of Legal Affairs, the Department of Agriculture and Consumer Services, and the Department of Financial Services, but excludes university boards of trustees or state universities.<sup>11</sup>

Additionally, under the Cybersecurity Act, the DMS must:<sup>12</sup>

- Adopt rules to mitigate risk and to safeguard state agency digital assets, data, information, and IT resources to ensure its confidentiality and integrity;
- Designate a chief information security officer (CISO);
- Develop an annual cybersecurity strategic plan that includes the identification and mitigation of risk, proactive protection against threats, and threat reporting and response and recovery protocols for a cyber incident;
- Publish an IT security framework for use by state agencies;
- Annually review state agencies' strategic and operational cybersecurity plans; and
- Operate a Cybersecurity Operations Center (CSOC), which serves as "a clearinghouse for threat information" and coordinates with the Department of Law Enforcement to support state agencies with their response to a confirmed or suspected cybersecurity incident.

Each state agency is also vested with responsibilities under the Cybersecurity Act, which include:<sup>13</sup>

- Creating a cybersecurity response team that convenes upon notice of a cybersecurity incident and reports on all confirmed or suspected incidents;
- Submitting an annual report on the agency's strategic and operational cybersecurity plans;
- Performing a triennial comprehensive risk assessment to determine security threats to the agency;
- Developing internal procedures, including procedures for reporting cybersecurity incidents and breaches to the Cybercrime Office and the FLDS;
- Receiving recommendations from the DMS regarding identified risks to agency data, information, and IT resources, and implementation of safeguards and risk assessment remediation plans to resolve the risk;
- Ensuring the performance of periodic internal audits and evaluations of the agency's cybersecurity program for the data, information, and IT resources of the agency; and
- Submitting an after-action report, including a summary of "insights gained as a result of the incident" to the FLDS within one week after the agency's resolution or remediation of a cybersecurity incident or ransomware incident.

### **Local Government Cybersecurity Act**

The Local Government Cybersecurity Act (Local Act),<sup>14</sup> which applies to any county or municipality, requires each local government to have adopted by January 1, 2025, cybersecurity standards, consistent with generally accepted best practices, that safeguard its data, IT, and IT resources to ensure availability, confidentiality, and integrity. The Local Act additionally requires a local government to notify the Cybersecurity Operations Center within the Florida

---

<sup>11</sup> Sections 282.0041(34) and 282.318(2), F.S.

<sup>12</sup> Section 282.318(3), F.S.

<sup>13</sup> Section 282.318(4), F.S.

<sup>14</sup> Section 282.3185, F.S.

Department of Law Enforcement and the sheriff who has jurisdiction over the local government of any cybersecurity or ransomware incident.

The Local Act also requires the FLDS to develop basic and advanced cybersecurity training for local government employees, who must complete the training within 30 days of beginning their employment and annually thereafter. The FLDS may collaborate with the Cybercrime Office of the Department of Law Enforcement, a private sector entity, or an institution of the State University System to develop this training.<sup>15</sup>

### **Florida Local Government Cybersecurity Grant Program**

The Florida Local Government Cybersecurity Grant Program (Grant Program) is currently administered by the FLDS. The Grant Program has been authorized in proviso language beginning with the Fiscal Year (FY) 2023-2024 General Appropriations Act (GAA).<sup>16</sup> Proviso language in the FY 2025-2026 GAA requires the DMS, through the FLDS, to administer a competitive grant program that provides nonrecurring technical assistance to local governments for the development and enhancement of cybersecurity risk management programs. The FLDS is required to include language in the local government agreements that release the state from all liability related to cybersecurity incidents impacting the local government recipient.<sup>17</sup> For FY 2025-2026, the Grant Program prioritized local governments that are fiscally constrained, within rural areas of opportunity.<sup>18</sup>

The grant itself does not define what constitutes a fiscally constrained county. However, s. 218.67(1), F.S., defines a fiscally constrained county as one that:

- Has been designated by the Governor pursuant to s. 288.0656, F.S.;
- Has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster that presents a unique economic development opportunity; and
- That meets specified population limits.<sup>19</sup>

Alternatively, a county may be classified as a rural area of opportunity if the value of a mill of ad valorem taxes will raise no more than \$5 million in revenue for the county, based on the taxable value used in the determination of funding allocations from the Florida Education Finance Program under s. 1011.62(4)(a)1.a, F.S.

In Fiscal Year 2025-2026, there are 29 fiscally constrained counties.<sup>20</sup>

<sup>15</sup> Section 282.3185(3), F.S.

<sup>16</sup> Ch. 2023-239, L.O.F., proviso language for Specific Appropriation 3013A.

<sup>17</sup> Ch. 2025-198, L.O.F., proviso language for Specific Appropriation 2708.

<sup>18</sup> See FLDS, *Florida Local Government Cybersecurity Grant Program*, <https://cybergrants.fl.gov/> (last visited Feb. 1, 2026).

<sup>19</sup> A rural area of opportunity is a rural community, which is defined in s. 288.0656(2)(e), F.S., as:

1. A county with a population of 75,000 or fewer.
2. A county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.
3. A municipality within a county described in subparagraph 1. or subparagraph 2.
4. An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least three or more of the economic distress factors identified in paragraph (c) and verified by the department.

<sup>20</sup> Florida Department of Revenue, *Fiscally Constrained Counties*, [https://floridarevenue.com/property/Documents/fcc\\_map.pdf](https://floridarevenue.com/property/Documents/fcc_map.pdf) (last visited Feb. 5, 2026).

The FLDS has chosen to procure cybersecurity solutions<sup>21</sup> directly on behalf of awarded applicants,<sup>22</sup> rather than issue direct funding to local governments through the grant awards. The grants are designed to support the delivery of new or expanded cybersecurity capabilities, and cannot subsidize payments for existing tools, services, or contracts held by a local government. As a condition of award, local governments must agree to grant FLDS permission to see telemetry<sup>23</sup> and solutions<sup>24</sup> data generated by the software awarded to the local government for FLDS to assist with responding to cybersecurity incidents.<sup>25</sup>

The DMS has been appropriated a total of \$55 million through FY 2025-2026 for FLDS to administer the Grant Program and has disbursed \$35,235,536.88 as of January 29, 2026.<sup>26</sup> From these funds, 278 local governments have received access to cybersecurity solutions.<sup>27</sup>

### **Federal “State and Local Government Cybersecurity Grant Program”**

The State and Local Government Cybersecurity Grant Program (SLCGP) is administered by Department of Homeland Security through the Cybersecurity and Infrastructure Security Agency (CISA) and the Federal Emergency Management Agency (FEMA) at the federal level. The SLCGP made \$91.7 million in FY 2025-2026 available to state and local governments “for a range of cybersecurity improvements, including planning and exercises, hiring experts in the community, and improving services for their citizens.”<sup>28</sup>

<sup>21</sup> See, FLDS, *Florida Local Government Cybersecurity Grant Program—Cybersecurity Capabilities*, <https://cybergrants.fl.gov/capabilities.html> (last visited January 31, 2026).

<sup>22</sup> See FLDS, *Florida Local Government Cybersecurity Grant Program—About the FY 2025-26 Program*, <https://cybergrants.fl.gov/> (last visited January 31, 2026) (“Rather than issuing direct funding, the Florida Digital Service will procure cybersecurity solutions directly on behalf of awarded applicants. No payments will be made to grant recipients.”)

<sup>23</sup> FLDS, *Local Government Cybersecurity Grant Program Grant Agreement—Exhibit A, Cybersecurity Incident Response Rider*, [https://cybergrants.fl.gov/download/Year\\_3\\_Local\\_Grant\\_Agreement\\_FY2025-26\\_Draft.pdf](https://cybergrants.fl.gov/download/Year_3_Local_Grant_Agreement_FY2025-26_Draft.pdf) (last visited Jan. 31, 2026). (“Telemetry data” means data generated by Grantee through automated communication processes from multiple data sources and processed by Software Entitlements.)

<sup>24</sup> *Id.* at 33. “Solution data” is defined as data, reports, or other information generated by Software Entitlements. This may be derived from but does not include Telemetry Data.

<sup>25</sup> *Id.*

<sup>26</sup> See Dep’t. of Management Services, *Technology Program, 2024-25 Disbursements by Summary Object: Special Categories ~ Grants and Aids – Cybersecurity Grants*, TRANSPARENCY FLORIDA, [https://www.transparencyflorida.gov/Disbursements/DisbBySummObj.aspx?FY=25&BE=72900700&AC=100856&Fund=1000&FundType=&LI=\\*\\*\\*\\*\\*&OB=Y&SC=F](https://www.transparencyflorida.gov/Disbursements/DisbBySummObj.aspx?FY=25&BE=72900700&AC=100856&Fund=1000&FundType=&LI=*****&OB=Y&SC=F) (last visited Feb. 3, 2025); Dep’t of Management Services, *Technology Program, 2025-26 Disbursements by Summary Object: Special Categories ~ Grants and Aids – Cybersecurity Grants*, TRANSPARENCY FLORIDA, available at [https://www.transparencyflorida.gov/Disbursements/DisbBySummObj.aspx?FY=25&BE=72900700&AC=100856&Fund=1000&FundType=&LI=\\*\\*\\*\\*\\*&OB=Y&SC=F](https://www.transparencyflorida.gov/Disbursements/DisbBySummObj.aspx?FY=25&BE=72900700&AC=100856&Fund=1000&FundType=&LI=*****&OB=Y&SC=F) (last visited Feb. 3, 2026).

<sup>27</sup> See FLDS, *FY 2024-2025 Florida Local Government Cybersecurity Grant Program Report Round 1 and FY 2024-2025 Florida Local Government Cybersecurity Grant Program Report Round 2* (on file with the Information Technology Budget and Policy Subcommittee).

<sup>28</sup> Cybersecurity and Infrastructure Security Agency (CISA), *DHS Launches Over \$100 Million in Funding to Strengthen Communities’ Cyber Defenses* (Aug. 1, 2025), <https://www.cisa.gov/news-events/news/dhs-launches-over-100-million-funding-strengthen-communities-cyber-defenses> (last visited Feb. 1, 2026).

Funding from the SLCGP helps eligible entities address cybersecurity risks and threats to information systems owned or operated by—or on behalf of—SLCGP governments.<sup>29</sup> State Administrative Agencies may apply to receive SLCGP funds from the federal government and, if awarded, must distribute at least 80 percent of the funding to local governments in accordance with state law, procedures, and federal legislative requirements.<sup>30</sup> At least 25 percent of the distributed funds must go to rural areas of the state.<sup>31</sup> However, the state entity must match the federal funds with a 40 percent match.<sup>32</sup> In Fiscal Year 2023-2024, Florida received \$11,997,340 from the SLCGP; in Fiscal Year 2024-2025, it received \$8,704,903.<sup>33</sup>

## Public Records Law

The State Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.<sup>34</sup> This applies to the official business of any public body, officer, or employee of the state, including all three branches of state government, local governmental entities, and any person acting on behalf of the government.<sup>35</sup>

Additional requirements and exemptions that relate to public records are found in various statutes and rules, depending on the branch of government involved.<sup>36</sup> For instance, Legislative records are public pursuant to s. 11.0431, F.S. Public records exemptions for the Legislature are codified primarily in s. 11.0431(2)-(3), F.S., and adopted in the rules of each house of the legislature. Florida Rule of Judicial Administration 2.420 governs public access to judicial branch records.<sup>37</sup> Lastly, ch. 119, F.S., the Public Records Act, provides requirements for public records held by executive agencies and constitutes the main body of public records laws.

The Public Records Act provides that all state, county, and municipal records are open for personal inspection and copying by any person. Each agency has a duty to provide access to public records.<sup>38</sup>

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

[a]ll documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the

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<sup>29</sup> CISA, *State and Local Cybersecurity Grant Program*, <https://www.cisa.gov/cybergrants/slcgp> (last visited Feb. 1, 2026).

<sup>30</sup> CISA, *State and Local Cybersecurity Grant Program Fact Sheet Pass-through Requirements* (Aug. 12, 2025), <https://www.cisa.gov/resources-tools/resources/state-and-local-cybersecurity-grant-program-fact-sheet> (last visited Feb. 1, 2026).

<sup>31</sup> CISA, *State and Local Cybersecurity Grant Program Fact Sheet, Cost Share Requirements* (Aug. 12, 2025), <https://www.cisa.gov/resources-tools/resources/state-and-local-cybersecurity-grant-program-fact-sheet> (last visited Feb. 1, 2026).

<sup>32</sup> *Id.*

<sup>33</sup> Federal Emergency Management Agency, *State and Local Cybersecurity Grant Program Funding Allocations*, [https://www.fema.gov/grants/preparedness/state-local-cybersecurity-grant-program/funding\\_allocations](https://www.fema.gov/grants/preparedness/state-local-cybersecurity-grant-program/funding_allocations) (last visited Feb. 1, 2026).

<sup>34</sup> FLA. CONST. art. I, s. 24(a).

<sup>35</sup> *Id.* See also, *Sarasota Citizens for Responsible Gov't v. City of Sarasota*, 48 So. 3d 755, 762-763 (Fla. 2010).

<sup>36</sup> Chapter 119, F.S., does not apply to legislative or judicial records. See, *Locke v. Hawkes*, 595 So. 2d 32, 34 (Fla. 1992); see also *Times Pub. Co. v. Ake*, 660 So. 2d 255 (Fla. 1995).

<sup>37</sup> *State v. Wooten*, 260 So. 3d 1060 (Fla. 4<sup>th</sup> DCA 2018).

<sup>38</sup> Section 119.01(1), F.S.

physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.

The Florida Supreme Court has interpreted this definition to encompass all materials made or received by an agency in connection with official business which are used to “perpetuate, communicate, or formalize knowledge of some type.”<sup>39</sup>

The Florida Statutes specify conditions under which public access to governmental records must be provided. The Public Records Act guarantees every person’s right to inspect and copy any state or local government public record at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record.<sup>40</sup> A violation of the Public Records Act may result in civil or criminal liability.<sup>41</sup>

Only the Legislature may create an exemption to public records requirements.<sup>42</sup> An exemption must be created by general law and must specifically state the public necessity justifying the exemption.<sup>43</sup> Further, the exemption must be no broader than necessary to accomplish the stated purpose of the law. A bill enacting an exemption may not contain other substantive provisions<sup>44</sup> and must pass by a two-thirds vote of the members present and voting in each house of the Legislature.<sup>45</sup>

When creating a public records exemption, the Legislature may provide that a record is “exempt” or “confidential and exempt.” There is a difference between records the Legislature has determined to be exempt from the Public Records Act and those which the Legislature has determined to be exempt from the Public Records Act *and confidential*.<sup>46</sup> Records designated as “confidential and exempt” are not subject to inspection by the public and may only be released under the circumstances defined by statute.<sup>47</sup> Records designated as “exempt” may be released at the discretion of the records custodian under certain circumstances.<sup>48</sup>

General exemptions from the public records requirements are typically contained in the Public Records Act.<sup>49</sup> Specific exemptions are often placed in the substantive statutes which relate to a particular agency or program.<sup>50</sup>

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<sup>39</sup> *Shevin v. Byron, Harless, Schaffer, Reid and Assoc. Inc.*, 379 So. 2d 633, 640 (Fla. 1980).

<sup>40</sup> Section 119.07(1)(a), F.S.

<sup>41</sup> Section 119.10, F.S. Public records laws are found throughout the Florida Statutes, as are the penalties for violating those laws.

<sup>42</sup> FLA. CONST. art. I, s. 24(c).

<sup>43</sup> *Id.*

<sup>44</sup> The bill may, however, contain multiple exemptions that relate to one subject.

<sup>45</sup> FLA. CONST. art. I, s. 24(c)

<sup>46</sup> *WFTV, Inc. v. The Sch. Bd. of Seminole County*, 874 So. 2d 48, 53 (Fla. 5<sup>th</sup> DCA 2004).

<sup>47</sup> *Id.*

<sup>48</sup> *Williams v. City of Minneola*, 575 So. 2d 683 (Fla. 5<sup>th</sup> DCA 1991).

<sup>49</sup> *See, e.g.*, s.119.071(1)(a), F.S., exempting from public disclosure examination questions and answer sheets of exams administered by a governmental agency for the purpose of licensure.

<sup>50</sup> *See, e.g.*, s. 213.053(2), F.S., exempting from public disclosure information received by the DOR, including investigative reports and information.

***Agency Cybersecurity Public Records Exemption, Section 119.0725, F.S.***

Section 119.0725(2), F.S., makes confidential and exempt from the public inspection and copying requirements the following cybersecurity-related information:<sup>51</sup>

- Coverage limits and deductible or self-insurance amounts of insurance or other risk mitigation coverages acquired for the protection of information technology (IT)<sup>52</sup> systems, operational technology<sup>53</sup> systems, or an agency’s data;
- Information relating to “critical infrastructure”, defined as existing and proposed IT and operational technology systems and assets (physical or virtual), the incapacity or destruction of which would negatively affect security, economic security, public health, or public safety;
- Cybersecurity<sup>54</sup> incident information (whether the incident was actual or merely threatened) reported by state agencies or local governments pursuant to ss. 282.318 and 282.3185, F.S.; and
- Network schematics; hardware and software configurations; encryption information; or information that identifies detection, investigation, or response practices for suspected or confirmed cybersecurity incidents, including suspected or confirmed breaches, if the disclosure of such information would facilitate unauthorized access to or unauthorized modification, disclosure, or destruction of:
  - Data<sup>55</sup> or information (physical or virtual); or
  - IT resources, which include an agency’s existing or proposed IT systems.

An agency *must* make this information available to a law enforcement agency, the Auditor General, the Cybercrime Office of the FDLE, the Florida Digital Service (FLDS), and—for agencies under the jurisdiction of the Governor—the Chief Inspector General. An agency *may* disclose the confidential and exempt information addressed in s. 119.0725, F.S., “in the furtherance of its official duties and responsibilities or to another agency or governmental entity in the furtherance of its statutory duties and responsibilities.”<sup>56</sup>

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

The bill creates the Local Government Cybersecurity Protection Program (program), which will be administered by the Florida Digital Service (FLDS). The grant program is intended to provide IT commodities and services to local governments in order to assist eligible local governments with the mitigation of and defense against cybersecurity threats, including ransomware incidents.

<sup>51</sup> Section 119.0725(2), F.S. This public records exemption was implemented in 2022, after s. 282.318, F.S., was passed, to better address ransomware incidents.

<sup>52</sup> “Information technology” is defined in s. 119.0725(1)(f), F.S., as “equipment, hardware, software, firmware, programs, systems, networks, infrastructure, media, and related material used to automatically, electronically, and wirelessly collect, receive, access, transmit, display, store, record, retrieve, analyze, evaluate, process, classify, manipulate, manage, assimilate, control, communicate, exchange, convert, converge, interface, switch, or disseminate information of any kind or form.”

<sup>53</sup> “Operational technology” is the hardware and software that causes or detects a change through the direct monitoring or control of physical devices, systems, processes, or events. Section 119.0725(1)(g), F.S.

<sup>54</sup> Section 119.0725(1)(c), F.S., defines “cybersecurity” as the protection afforded to an automated information system to attain the applicable objectives of preserving the confidentiality, integrity, and availability of data, information, and information technology resources.

<sup>55</sup> “Data” is the subset of structured information in a format that allows such information to be electronically retrieved and transmitted. Section 282.0041(9), F.S.

<sup>56</sup> Section 119.0725(5), F.S.

The FLDS will contract to procure such IT commodities and services on behalf of grant participants.

The FLDS must administer the grant based on objective eligibility and evaluation criteria and give preference to fiscally constrained counties. Florida has 29 fiscally constrained counties<sup>57</sup> as defined in s. 218.67(1), F.S., which includes a county entirely within a rural area of opportunity (as designated by the Governor pursuant to s. 288.0656, F.S.), or each county for which the value of a mill of ad valorem taxes will raise no more than \$5 million in revenue.

The FLDS must enter into data-sharing agreements with local government grant participants as necessary to facilitate the collection, analysis, and exchange of security-related information to support the detection, prevention, and response to cybersecurity incidents consistent with s. 282.318, F.S.

The FLDS may use federal grants to further the program by awarding information technology (IT) commodities and services directly to local governments.

The bill takes effect July 1, 2026.

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

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

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

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

The bill requires local governments that participate in the grant program to enter into data-sharing agreements with the FLDS “as necessary” to facilitate the collection, analysis, and exchange of security-related information to support the detection, prevention, and response to cybersecurity incidents.

This information may be protected by s. 119.0725(2), F.S., which makes exempt the network schematics; hardware and software configurations; encryption information; or information that identifies detection, investigation, or response practices for suspected or confirmed cybersecurity incidents, including suspected or confirmed breaches, if the disclosure of such information would facilitate unauthorized access to or unauthorized modification, disclosure, or destruction of:

- Data<sup>58</sup> or information (physical or virtual); or
- IT resources, which include an agency’s existing or proposed IT systems.

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<sup>57</sup> Florida Department of Revenue, *Fiscally Constrained Counties*, [https://floridarevenue.com/property/Documents/fcc\\_map.pdf](https://floridarevenue.com/property/Documents/fcc_map.pdf) (last visited Feb. 5, 2026).

<sup>58</sup> “Data” is the subset of structured information in a format that allows such information to be electronically retrieved and transmitted. Section 282.0041(9), F.S.

However, if the “security-related information” required to be shared with the FLDS by this bill is not considered information that identifies detection, investigation, or response practices for suspected or confirmed cybersecurity incidents, then a separate public records exemption may be required to protect this information in the hands of FLDS.

**C. Trust Funds Restrictions:**

None.

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

None.

**E. Other Constitutional Issues:**

The bill requires local governments that participate in the grant program to enter into data-sharing agreements with the FLDS “as necessary” to facilitate the collection, analysis, and exchange of security-related information to support the detection, prevention, and response to cybersecurity incidents.

This information may be protected by s. 119.0725(2), F.S., which makes exempt the network schematics; hardware and software configurations; encryption information; or information that identifies detection, investigation, or response practices for suspected or confirmed cybersecurity incidents, including suspected or confirmed breaches, if the disclosure of such information would facilitate unauthorized access to or unauthorized modification, disclosure, or destruction of:

- Data<sup>59</sup> or information (physical or virtual); or
- IT resources, which include an agency’s existing or proposed IT systems.

However, if the “security-related information” required to be shared with the FLDS by this bill is not considered information that identifies detection, investigation, or response practices for suspected or confirmed cybersecurity incidents, then a separate public records exemption may be required to protect this information in the hands of FLDS.

**V. Fiscal Impact Statement:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

If the FLDS purchases software or other IT commodities for the grant program from a vendor, then the vendor may benefit from funds that would not have otherwise been spent.

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<sup>59</sup> “Data” is the subset of structured information in a format that allows such information to be electronically retrieved and transmitted. Section 282.0041(9), F.S.

C. **Government Sector Impact:**

The FLDS may see an increase in costs for the administration of the grant program and review of applications by local governments. This can likely be absorbed into existing resources.

VI. **Technical Deficiencies:**

The bill awards grants to “local governments.” Section 282.3185, F.S., defines a “local government” as any county or municipality (which would include law enforcement run by those entities), but this definition does not extend to s. 282.31855, F.S., as created by this bill. The Legislature could either create the grant program under s. 282.3185, F.S., to adopt the definition of “local government,” or, in the alternative, create a definition of “local government” in s. 282.31855, F.S.

VII. **Related Issues:**

In some instances, the cybersecurity commodities provided by the FLDS may not prove helpful to the local governments, either because they provide less security than programs and software the local governments currently use, or because of compatibility with other software and programs already procured by the local government. It is unclear at what point in the grant process the IT commodities and software that will be made available by the FLDS will be known.

VIII. **Statutes Affected:**

This bill creates section 282.31855 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 Governmental Oversight and Accountability on February 11, 2026:**

- Removes the requirement that a local government must apply for and participate in the grant program.
- Makes optional, instead of required, that FLDS secure and administer federal grants to further the program.
- Requires the FLDS to enter into data-sharing agreements with local governments that participate in the grant program as necessary to facilitate the collection, analysis, and exchange of security-related information to support cybersecurity threat detection, prevention, and response.
- Requires the FLDS to determine grants based on objective eligibility and evaluation criteria.

B. **Amendments:**

None.

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

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By the Committee on Governmental Oversight and Accountability;  
and Senator Harrell

585-02774-26

2026576c1

1 A bill to be entitled  
2 An act relating to local government cybersecurity;  
3 creating s. 282.31855, F.S.; creating the Local  
4 Government Cybersecurity Protection Program within the  
5 Florida Digital Service; requiring the grant program  
6 to be administered by the Florida Digital Service;  
7 providing the purpose of the grant program; requiring  
8 the Florida Digital Service to enter into certain  
9 data-sharing agreements with local governments for a  
10 specified purpose; requiring the Florida Digital  
11 Service to administer the grant program based on  
12 specified criteria to provide information technology  
13 commodities and services to local governments for a  
14 specified purpose; requiring the Florida Digital  
15 Service to contract for information technology  
16 commodities and services and award such commodities  
17 and services to local governments; establishing  
18 preference for certain counties under the grant  
19 program; requiring grants to be annually awarded by a  
20 certain date; authorizing the Florida Digital Service  
21 to apply for and accept certain funds or grants;  
22 providing an effective date.  
23  
24 Be It Enacted by the Legislature of the State of Florida:  
25  
26 Section 1. Section 282.31855, Florida Statutes, is created  
27 to read:  
28 282.31855 Local Government Cybersecurity Protection  
29 Program.—

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

585-02774-26

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30 (1) The Local Government Cybersecurity Protection Program  
31 is created within the Florida Digital Service, to be  
32 administered by the Florida Digital Service. The purpose of the  
33 grant program is to assist eligible local governments in  
34 mitigating and defending against cybersecurity threats,  
35 including, but not limited to, ransomware incidents.  
36 (2) Under the grant program, the Florida Digital Service  
37 shall enter into data-sharing agreements with local governments  
38 as necessary to facilitate the collection, analysis, and  
39 exchange of security-related information to support the  
40 detection, prevention, and response to cybersecurity incidents  
41 consistent with s. 282.318.  
42 (3) (a) The Florida Digital Service shall administer the  
43 grant program based on objective eligibility and evaluation  
44 criteria to provide information technology commodities and  
45 services directly to local governments for the purpose of  
46 developing and enhancing cybersecurity risk management programs  
47 consistent with s. 282.3185.  
48 (b) The Florida Digital Service shall contract for  
49 information technology commodities and services and shall award  
50 such commodities and services to local governments eligible  
51 under the grant program criteria.  
52 (c) In awarding information technology commodities and  
53 services, the Florida Digital Service shall give preference to  
54 fiscally constrained counties as described in s. 218.67(1).  
55 (d) Grants shall be awarded to eligible local governments  
56 by October 1 of each year.  
57 (4) The Florida Digital Service may apply for and accept  
58 any funds or grants made available to it by any agency or

Page 2 of 3

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

585-02774-26

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59 department of the Federal Government to further the grant  
60 program.

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

The Florida Senate

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2/18/26

Meeting Date

576

Bill Number or Topic

AEG

Committee

Amendment Barcode (if applicable)

Name Zach Hubbard

Phone 813-317-7766

Address 1620 GOLF Terrace Dr

Email zach@rubinturnbull.com

Street

Tallahassee

FL

32301

City

State

Zip

Speaking:  For  Against  Information

OR

Waive Speaking:  In Support  Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

FLGISA

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

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

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S-001 (08/10/2021)

February 18, 2026

The Florida Senate  
**APPEARANCE RECORD**

576

Meeting Date

Ag, Enviro & GG Approps

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Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name **Barney Bishop**

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Email **Barney@BarneyBishop.com**

Street

**Tallahassee**

**FL**

**32308**

City

State

Zip

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

**PLEASE CHECK ONE OF THE FOLLOWING:**

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

**Florida Smart Justice Alliance**

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

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

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S-001 (08/10/2021)

1030 am (412 k)

The Florida Senate

# APPEARANCE RECORD

2/18/2026

576

Meeting Date

Bill Number or Topic

Ag. Environment & General Government

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Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

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**FL**

**32301**

City

State

Zip

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

### PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

**Florida League of Cities**

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

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

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

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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**BILL:** CS/SB 800

**INTRODUCER:** Regulated Industries Committee and Senator Mayfield

**SUBJECT:** Engineering

**DATE:** February 17, 2026      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Baird</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	<u>Davis</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>FP</u>	_____

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**Please see Section IX. for Additional Information:**  
COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 800 amends s. 471.033, F.S., to provide an escalating fine schedule for subsequent violations of engaging in the unlicensed practice of engineering. The escalating fees are as follows: for a second violation, a fine of \$10,000, for a third violation, a fine of \$15,000, for a fourth violation, a fine of \$20,000 and for a fifth and any subsequent violation, a fine of \$25,000.

The bill also creates the Engineering Student Loan Assistance Program within ch. 471, F.S., providing eligible graduates from engineering programs with up to \$16,000, over four years, in student loan principal repayment from the Professional Regulation Trust Fund if they are employed by a state agency or a water management district.

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

The bill takes effect July 1, 2026.

**II. Present Situation:**

**Professional Engineers**

Under ch. 471, F.S., the Board of Professional Engineers (the board) is the primary state entity responsible for protecting the public health, safety, and welfare by regulating the engineering

profession. The board was created and is maintained within the Department of Business and Professional Regulation (DBPR). Section 471.005(7), F.S., defines the term “engineering” to include:

the term “professional engineering” and means any service or creative work, the adequate performance of which requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical, and engineering sciences to such services or creative work as consultation, investigation, evaluation, planning, and design of engineering works and systems, planning the use of land and water, teaching of the principles and methods of engineering design, engineering surveys, and the inspection of construction for the purpose of determining in general if the work is proceeding in compliance with drawings and specifications, any of which embraces such services or work, either public or private, in connection with any utilities, structures, buildings, machines, equipment, processes, work systems, projects, and industrial or consumer products or equipment of a mechanical, electrical, hydraulic, pneumatic, or thermal nature, insofar as they involve safeguarding life, health, or property; and includes such other professional services as may be necessary to the planning, progress, and completion of any engineering services. A person who practices any branch of engineering; who, by verbal claim, sign, advertisement, letterhead, or card, or in any other way, represents himself or herself to be an engineer or, through the use of some other title, implies that he or she is an engineer or that he or she is licensed under this chapter; or who holds himself or herself out as able to perform, or does perform, any engineering service or work or any other service designated by the practitioner which is recognized as engineering shall be construed to practice or offer to practice engineering within the meaning and intent of this chapter [ch. 471, F.S.].

Section 471.005(5), F.S., defines the term “engineer” to include the terms “professional engineer” and “licensed engineer” and means a person who is licensed to engage in the practice of engineering.

According to the DBPR, there are 71,567 actively licensed engineers in the state of Florida.<sup>1</sup>

### **The Florida Engineers Management Corporation**

Unlike most DBPR professions, the administrative, investigative, and prosecutorial services for the board are not provided by the DBPR. The DBPR contracts with the Florida Engineers Management Corporation (FEMC), a nonprofit corporation, to provide such services.<sup>2</sup> The

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<sup>1</sup> Department of Business and Professional Regulation, *Division of Professions Annual Report Fiscal Year 2023-2024*, <https://www2.myfloridalicense.com/os/documents/Division%20Annual%20Report%20FY%2023-24.pdf>, (last visited January 20, 2026).

<sup>2</sup> See s. 471.038, F.S., the Florida Engineers Management Corporation Act, for the duties and authority of the FEMC.

FEMC is a public-private nonprofit association that has contracted with the DBPR to handle administrative, investigative, and prosecutorial services for the board.<sup>3</sup>

The FEMC may hire staff as necessary to carry out its functions, although such staff are not considered public employees.<sup>4</sup> Funds for FEMC are allocated through appropriations from the Professional Regulation Trust Fund within the DBPR.<sup>5</sup> The FEMC must submit an annual report on the status of the FEMC to the Secretary of the DBPR, the board, and the Legislature.<sup>6</sup>

### **Unlicensed Practice and Enforcement**

The FEMC must issue a license to any applicant who the board certifies is qualified to practice engineering and who has passed the fundamentals examination and the principles and practice examination.<sup>7</sup> Persons who are not licensed are prohibited from the practice of engineering.<sup>8</sup> Any person who practices engineering without a license commits a misdemeanor of the first degree.<sup>9</sup> If there are any violations regarding unlicensed activity, the board can issue a Notice to Cease & Desist, can issue a citation (fine), or an administrative complaint (which can come with a recommended penalty of up to \$5,000, injunctive proceedings if the action continues, and criminal prosecutions).<sup>10</sup>

The board is allowed to administer a fine not to exceed \$5,000 for each count or separate offense if the board finds any person guilty of the following:

- Violating any provision of ss. 455.227(1), 471.025, or 471.031, F.S., or any other provision of this chapter or rule of the board or the DBPR.
- Attempting to procure a license to practice engineering by bribery or fraudulent misrepresentations.
- Having a license to practice engineering revoked, suspended, or otherwise acted against, including the denial of licensure, by the licensing authority of another state, territory, or country, for any act that would constitute a violation of this chapter 471, F.S., or chapter 455, F.S.
- Being convicted or found guilty of, or entering a plea of nolo contendere to, regardless of adjudication, a crime in any jurisdiction which directly relates to the practice of engineering or the ability to practice engineering.
- Making or filing a report or record that the licensee knows to be false, willfully failing to file a report or record required by state or federal law, willfully impeding or obstructing such filing, or inducing another person to impede or obstruct such filing. Such reports or records include only those that are signed in the capacity of a licensed engineer.

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<sup>3</sup> See the Annual Report of the FEMC for FY 2024-2025, available at <https://fbpe.org/wp-content/uploads/2025/09/2024-25-FEMC-Annual-Report.pdf> (last visited January 16, 2026), the contract between the DBPR and FEMC is for the period between July 1, 2021 and June 30, 2025.

<sup>4</sup> Section 471.038(3), F.S.

<sup>5</sup> Section 471.038(3)(j)3, F.S.

<sup>6</sup> Section 471.038(3)(m), F.S.

<sup>7</sup> Section 471.015(1), F.S.

<sup>8</sup> Section 471.031, F.S.

<sup>9</sup> Section 471.031(2), F.S.

<sup>10</sup> Florida Board of Professional Engineers, *Unlicensed Activity Affects Everyone*, January, 2018, available at <https://fbpe.org/unlicensed-activity-affects-everyone/> (last visited January 15, 2026).

- Advertising goods or services in a manner that is fraudulent, false, deceptive, or misleading in form or content.
- Engaging in fraud or deceit, negligence, incompetence, or misconduct, in the practice of engineering.
- Violating ch. 455, F.S.
- Practicing on a revoked, suspended, inactive, or delinquent license.
- Affixing or permitting to be affixed his or her seal, name, or digital signature to any final drawings, specifications, plans, reports, or documents that were not prepared by him or her or under his or her responsible supervision, direction, or control.
- Violating any order of the board or the DBPR previously entered in a disciplinary hearing.
- Performing building code inspection services under s. 553.791, F.S., without satisfying the insurance requirements of that section.<sup>11</sup>

Additionally, Rule 61G15-19.004 of the F.A.C., provides the following penalties for the unlicensed practice of engineering:<sup>12</sup>

VIOLATION	PENALTY RANGE		
	FIRST VIOLATION	SECOND VIOLATION	THIRD OR SUBSEQUENT VIOLATIONS
5. Practicing engineering without a license or using a name or title tending to indicate that such person holds an active license as an engineer. (Sections 471.031(1)(a), (b), F.S.)	In addition to referral to State Attorney’s Office and denial of future application for licensure, from a \$1,000 fine to a \$2,500 fine.	In addition to referral to State Attorney’s Office from a \$2,500 fine to a \$5,000 fine.	In addition to referral to State Attorney’s Office, a \$5,000 fine.

**Undergraduate Tuition**

Florida law defines “tuition” as the basic fee charged to a student for instruction provided by a public postsecondary educational institution in the state. The resident undergraduate tuition rate for the State University System (SUS) is set at \$105.07 per credit hour.<sup>13</sup> The SUS average tuition and out-of-state fee is \$570.01 per credit hour.<sup>14</sup>

The Board of Governors may establish tuition for graduate and professional programs and out-of-state fees for all programs for state universities.

<sup>11</sup> See Section 471.033, F.S.

<sup>12</sup> See Department of Business and Professional Regulation, *2026 Agency Legislative Bill Analysis for SB 800* at 2 (January 12, 2026) (on file with the Senate Regulated Industries Committee).

<sup>13</sup> Section 1009.24(4), F.S.

<sup>14</sup> Florida Board of Governors, *State University System of Florida, Tuition and Required Fees, 2024-25* at 4, <https://www.flbog.edu/wp-content/uploads/2024/10/2024-2025-SUS-Tuition-and-Fees-Report-FINAL.pdf> (last visited January 20, 2026)

The Florida College System tuition rate for college credit courses is \$71.98 per credit hour, and the out-of-state fee is \$215.94 per credit hour. Baccalaureate degree program resident tuition is \$91.79 per credit hour, and the total tuition and out-of-state fee may not exceed 85 percent of the tuition and out-of-state fee of the nearest state university.<sup>15</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 471.033, F.S., to provide an escalating fine schedule for subsequent violations of engaging in the unlicensed practice of engineering. The escalating fees are as follows:

- For a second violation, a fine of \$10,000.
- For a third violation, a fine of \$15,000.
- For a fourth violation, a fine of \$20,000.
- For a fifth and any subsequent violation, a fine of \$25,000.

**Section 2** creates s. 471.056, F.S., establishing the Engineer Student Loan Assistance Program (program) to increase employment and retention of licensed engineers who work for a state agency or water management district by making payments toward loans received by students from federal or state programs or commercial lending institutions who graduated from accredited or approved engineering programs.

To be eligible for the program, a candidate must have graduated from an accredited or approved engineering program and have received a Florida license as a professional engineer or a professional engineer intern and be currently employed by a state agency or water management district.

Program funds are derived from the Professional Regulation Trust Fund. From the funds available, the FEMC may make loan principal repayments of up to \$4,000 a year for up to four years on behalf of selected graduates who meet the requirements, beginning after the selected graduate's first year of employment. All repayments are contingent upon continued proof of employment in a designated state agency or water management district and must be made directly to the holder of the loan. The state bears no responsibility for the collection of any interest charges or other remaining balance.

The board must adopt rules necessary to administer the program. Implementation of the program is based only as specifically funded.

**Section 3** provides the bill takes effect July 1, 2026.

### IV. Constitutional Issues:

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

None.

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<sup>15</sup> Section 1009.23(3), F.S.

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

None.

**C. Trust Funds Restrictions:**

None.

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

None.

**E. Other Constitutional Issues:**

None.

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

None.

**B. Private Sector Impact:**

Persons who are fined for engaging in the unlicensed practice of engineering as repeat offenders would be subject to increased fines under the bill.

**C. Government Sector Impact:**

The bill has an indeterminate fiscal impact on state expenditures. The bill provides that the FEMC may make loan principal repayments of up to \$4,000 per year for each selected graduate. The funds are to be paid from the Professional Regulation Trust Fund; however, the program may be implemented only as specifically funded. To date, no moneys have been appropriated to fund the program.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 471.033 of the Florida Statutes.

This bill creates section 471.056 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 Regulated Industries on January 20, 2026**

The committee substitute amended SB 800 in the following ways:

- Clarifies that the program is for graduates of accredited or approved engineering programs.
- Lists out the requirements of the student loan assistance program.
- Makes clarifying changes to what funds can be spent on.
- Removes contradictory language regarding employment restrictions.
- Clarifies that eligibility is not affected by a change in employment, provided that the participant remains employed with a state agency or water management district.

- B. **Amendments:**

None.

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

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By the Committee on Regulated Industries; and Senator Mayfield

580-02028-26

2026800c1

1 A bill to be entitled  
 2 An act relating to engineering; amending s. 471.033,  
 3 F.S.; providing penalties for persons found to have  
 4 repeatedly engaged in the unlicensed practice of  
 5 engineering; creating s. 471.056, F.S.; establishing  
 6 the Engineering Student Loan Assistance Program;  
 7 providing for the program's management by the Florida  
 8 Engineers Management Corporation; providing the  
 9 purpose of the program; providing eligibility  
 10 requirements; providing the source of funding for the  
 11 program; authorizing the management corporation to  
 12 make payments; providing requirements for loan  
 13 principal repayments; requiring the Board of  
 14 Professional Engineers to adopt rules; providing  
 15 construction; providing an effective date.

16  
 17 Be It Enacted by the Legislature of the State of Florida:

18  
 19 Section 1. Present subsection (4) of section 471.033,  
 20 Florida Statutes, is redesignated as subsection (5), and a new  
 21 subsection (4) is added to that section, to read:

22 471.033 Disciplinary proceedings.—

23 (4) Notwithstanding subsection (3), a person who violates  
 24 this section by engaging in the unlicensed practice of  
 25 engineering, upon a second or subsequent violation, is subject  
 26 to a fine imposed by the department which increases as follows:

27 (a) For a second violation, a fine of \$10,000.

28 (b) For a third violation, a fine of \$15,000.

29 (c) For a fourth violation, a fine of \$20,000.

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

580-02028-26

2026800c1

30 (d) For a fifth and any subsequent violation, a fine of  
 31 \$25,000.

32 Section 2. Section 471.056, Florida Statutes, is created to  
 33 read:

34 471.056 Engineering Student Loan Assistance Program.—

35 (1) To encourage qualified candidates to seek employment in  
 36 areas of this state in which critical engineering shortages  
 37 exist, there is established the Engineering Student Loan  
 38 Assistance Program. The Florida Engineers Management Corporation  
 39 established in s. 471.038 shall manage the program. The primary  
 40 purpose of the program is to increase employment and retention  
 41 of licensed engineers who work for a state agency or water  
 42 management district by making payments toward loans received by  
 43 students from federal or state programs or commercial lending  
 44 institutions who graduated from accredited or approved  
 45 engineering programs.

46 (2) To be eligible for the program, a candidate must meet  
 47 all of the following requirements:

48 (a) Have graduated from an accredited or approved  
 49 engineering program.

50 (b) Have received a Florida license as a professional  
 51 engineer or a professional engineer intern.

52 (c) Be currently employed by a state agency or water  
 53 management district.

54 (3) Program funds are derived from the Professional  
 55 Regulation Trust Fund.

56 (4) From the funds available, the management corporation  
 57 may make loan principal repayments of up to \$4,000 a year for up  
 58 to 4 years on behalf of selected graduates who meet the

Page 2 of 3

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

580-02028-26

2026800c1

59 requirements of subsection (2), beginning after each selected  
60 graduate's first year of employment. All repayments are  
61 contingent upon continued proof of employment in a designated  
62 state agency or water management district and must be made  
63 directly to the holder of the loan. The state bears no  
64 responsibility for the collection of any interest charges or  
65 other remaining balance.

66 (5) Eligibility is not affected by a change in employment,  
67 provided that the participant remains employed by a state agency  
68 or a water management district.

69 (6) The board shall adopt rules necessary to administer the  
70 program.

71 (7) This section shall be implemented only as specifically  
72 funded.

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



## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

### COMMITTEES:

Governmental Oversight and Accountability, *Chair*  
Environment and Natural Resources, *Vice Chair*  
Appropriations Committee on Transportation,  
Tourism, and Economic Development  
Commerce and Tourism  
Finance and Tax  
Fiscal Policy  
Regulated Industries

### SELECT COMMITTEE:

Joint Select Committee on Collective  
Bargaining, *Alternating Chair*

### JOINT COMMITTEE:

Joint Committee on Public Counsel Oversight

**SENATOR DEBBIE MAYFIELD**

19th District

January 20, 2026

Senator Jason Brodeur, Chair  
Committee on Regulated Industries  
Room 416, Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

Dear Chair Brodeur,

I respectfully request that you place Committee Substitute for Senate Bill 800 – Engineering on the agenda for your next committee meeting.

CS/SB 800 establishes increased penalties for subsequent offenses of unlicensed engineering practice and establishes an Engineering Student Loan Assistance Program for qualified engineers working for state agencies and water management districts.

Thank you for your consideration of this request.

Sincerely,

Debbie Mayfield,  
State Senator, District 19

CC: Giovanni Betta, Staff Director  
Julie Brass, Committee Administrative Assistant  
Zoe Duncan, Legislative Aide

### REPLY TO:

- 900 East Strawbridge Avenue, Room 408, Melbourne, Florida 32901 (321) 409-2025
- 302 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5019

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

**BEN ALBRITTON**  
President of the Senate

**JASON BRODEUR**  
President Pro Tempore

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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BILL: SB 990

INTRODUCER: Senator Leek

SUBJECT: Protected Cell Captive Insurance Companies

DATE: February 17, 2026

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Thomas</u>	<u>Knudson</u>	<u>BI</u>	<b>Favorable</b>
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	<b>Favorable</b>
3.	_____	_____	<u>RC</u>	_____

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**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 has an indeterminate impact on state expenditures. *See Section V., Fiscal Impact Statement.*

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.<sup>1</sup> As part of their regulatory oversight, the OIR may suspend

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<sup>1</sup> 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.<sup>2</sup> 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.<sup>3</sup> 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.<sup>4</sup> The OIR is also authorized to conduct market conduct examinations to determine compliance with applicable provisions of the Florida Insurance Code.<sup>5</sup>

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,<sup>6</sup> 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.<sup>7</sup> 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.<sup>8</sup>

### **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.<sup>9</sup>

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

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

<sup>2</sup> Section 624.418, F.S.

<sup>3</sup> Section 624.316(1)(a), F.S.

<sup>4</sup> Section 624.318(2), F.S.

<sup>5</sup> Section 624.3161, F.S.

<sup>6</sup> An "authorized" or "admitted" insurer is one duly authorized by a COA to transact insurance in this state.

<sup>7</sup> The Insurance Code consists of chs. 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S.

<sup>8</sup> 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.

<sup>9</sup> See generally <https://www.captive.com/news/the-expanding-role-of-captives-in-todays-changing-risk-market> (last visited February 10, 2026).

risks of its owners, and its insureds benefit from the captive insurer's underwriting profits.<sup>10</sup> 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.<sup>11</sup>

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.<sup>12</sup>

Presently, there are three domestic captive insurers authorized to do business in Florida, two of which became authorized since the beginning of 2025.<sup>13</sup> 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.<sup>14</sup>

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.<sup>15</sup>

### **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

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<sup>10</sup> <https://www.vermontcaptive.com/captive/> (last visited January 14, 2026).

<sup>11</sup> 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.

<sup>12</sup> Section 628.901(2), F.S.

<sup>13</sup> Florida Office of Insurance Regulation, *Active Company Search*, <https://companysearch.floir.gov/> (last visited February 10, 2026).

<sup>14</sup> Section 628.907(1), F.S.

<sup>15</sup> Section 628.907(2), F.S.

the core's general business.<sup>16</sup> 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.<sup>17</sup>

### 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 Office of Insurance Regulation (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.

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<sup>16</sup> Captive.com, *What is a Protected or Segregated Cell Captive?* (June 4, 2024), <https://www.captive.com/articles/what-is-a-protected-or-segregated-cell-captive> (last visited February 10, 2026).

<sup>17</sup> 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 has an indeterminate impact on state revenues and expenditures. Depending on the number of insurance companies which choose this model, the implementation of the bill may affect the Office of Insurance Regulation. However, such impact can 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 section 628.921 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 Leek

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1 A bill to be entitled  
 2 An act relating to protected cell captive insurance  
 3 companies; amending s. 628.901, F.S.; revising the  
 4 definitions of the terms "captive insurance company"  
 5 and "special purpose captive insurance company";  
 6 defining terms; amending s. 628.905, F.S.; specifying  
 7 that a protected cell captive insurance company may  
 8 only insure certain risks; amending s. 628.907, F.S.;  
 9 revising the unimpaired paid-in capital requirements  
 10 for captive insurance companies; revising the  
 11 unrestricted net asset requirements for captive  
 12 insurance companies incorporated as nonprofit  
 13 corporations; amending s. 628.908, F.S.; revising the  
 14 unimpaired surplus requirements for captive insurance  
 15 companies; amending s. 628.909, F.S.; revising  
 16 applicability; creating s. 628.921, F.S.; authorizing  
 17 one or more sponsors to form a protected cell captive  
 18 insurance company; requiring protected cell captive  
 19 insurance companies to be incorporated in a specified  
 20 manner; requiring applicant protected cell captive  
 21 insurance companies to file certain information with  
 22 the Office of Insurance Regulation; authorizing  
 23 protected cell captive insurance companies to  
 24 establish and maintain certain protected cells,  
 25 subject to certain approvals granted by the office;  
 26 specifying conditions on protected cell establishment  
 27 and maintenance; providing construction; specifying  
 28 requirements regarding protected cells' assets and  
 29 liabilities and their attribution; requiring protected

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30 cell captive insurance companies to file annual  
 31 reports, as required by the office, and to notify the  
 32 office when any protected cell is insolvent or unable  
 33 to meet its obligations; requiring the office's  
 34 approval before a participant contract may take  
 35 effect; specifying requirements for any insurance  
 36 business written by a protected cell captive insurance  
 37 company and the security arrangements that must be  
 38 established; authorizing the office to take certain  
 39 actions in the event of an insolvency of a protected  
 40 cell captive insurance company; requiring certain  
 41 affidavits for owners of incorporated protected cells;  
 42 authorizing the assets of two or more protected cells  
 43 to be combined for a specified purpose; specifying  
 44 that such combination may not be construed in a  
 45 certain manner; authorizing the office to approve the  
 46 use of certain methods for valuation of certain assets  
 47 and liabilities and rating the risk attributable to a  
 48 protected cell; requiring a receiver to manage the  
 49 assets and liabilities of protected cell captive  
 50 insurance companies under certain circumstances;  
 51 prohibiting assets of protected cells from being used  
 52 to pay certain expenses and claims; requiring that  
 53 protected cell captive insurance companies' capital  
 54 and surplus be available to pay certain expenses or  
 55 claims; specifying requirements in actions brought by  
 56 or against protected cell captive insurance companies;  
 57 specifying that certain legal actions are deemed to be  
 58 brought against the general account only; specifying

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59 that protected cells not named in an action are not  
 60 deemed to be a party to the action and are entitled to  
 61 dismissal under certain circumstances; prohibiting the  
 62 assets of protected cells from being encumbered or  
 63 seized under certain circumstances; specifying that  
 64 protected cells do not have a duty to defend the  
 65 rights and obligations or other protected cells;  
 66 requiring protected cell captive insurance companies  
 67 and protected cells to be afforded a certain status  
 68 during discovery; specifying that nonparty protected  
 69 cells have standing under certain circumstances;  
 70 authorizing protected cells to be converted to any  
 71 authorized form of captive insurance company;  
 72 authorizing the office to issue a specified  
 73 certificate of authority; requiring converting  
 74 protected cells to file certain organizational  
 75 documents; specifying requirements for such documents;  
 76 specifying the formation date upon conversion;  
 77 requiring converted protected cells to possess certain  
 78 assets and liabilities; requiring the converting  
 79 protected cell to submit amended organizational  
 80 documents under certain circumstances; authorizing  
 81 captive insurance companies to apply to the office for  
 82 conversion to protected cell captive insurance  
 83 companies; requiring captive insurance companies to be  
 84 issued a revised certificate of authority under  
 85 certain circumstances; specifying the effective date  
 86 of such certificate; authorizing protected cells of a  
 87 captive insurance company to disaffiliate and to

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88 affiliate with another protected cell captive  
 89 insurance company under certain circumstances;  
 90 authorizing the office to require changes to certain  
 91 documents under certain circumstances; specifying the  
 92 formation date of protected cells that affiliate with  
 93 another protected cell captive insurance company;  
 94 requiring such protected cells to maintain and carry  
 95 over certain assets and liabilities; authorizing an  
 96 individual protected cell to merge or otherwise  
 97 combine assets and liabilities with another individual  
 98 protected cell, subject to certain requirements;  
 99 specifying that a hearing is not required for certain  
 100 mergers; specifying the date of final conversion or  
 101 disaffiliation of a protected cell for certain  
 102 purposes; specifying that the prior entity and  
 103 successor entities are responsible for certain tasks;  
 104 providing an effective date.

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

107  
 108 Section 1. Present subsections (8) through (11), (12)  
 109 through (14), and (15) of section 628.901, Florida Statutes, are  
 110 redesignated as subsections (9) through (12), (19) through (21),  
 111 and (23), respectively, new subsections (8) and (13) through  
 112 (15) and subsections (16) through (18) and (22) are added to  
 113 that section, and subsection (2) and present subsection (14) of  
 114 that section are amended, to read:

115 628.901 Definitions.—As used in this part, the term:  
 116 (2) "Captive insurance company" means a domestic insurer

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

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

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

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

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

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

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146 insurance company.

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

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

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

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

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

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

162 (21)-(14) "Special purpose captive insurance company" means  
 163 a captive insurance company that is formed or licensed under  
 164 this part which ~~chapter that~~ does not meet the definition of any  
 165 other type of captive insurance company defined in this section.

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

170 Section 2. Paragraph (f) is added to subsection (1) of  
 171 section 628.905, Florida Statutes, to read:  
 172 628.905 Licensing; authority.—  
 173 (1) A captive insurance company, if permitted by its  
 174 charter or articles of incorporation, may apply to the office

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

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

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

183 628.907 Minimum capital and net assets requirements;  
 184 restriction on payment of dividends.—

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

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

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

192 ~~(c) (b)~~ In the case of an industrial insured captive  
 193 insurance company incorporated as a stock insurer, at least  
 194 \$200,000. ~~+~~ ~~and~~

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

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

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

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

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

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

215 628.908 Surplus requirements; restriction on payment of  
 216 dividends.—

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

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

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

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

226 ~~(d) (e)~~ In the case of an industrial insured captive  
 227 insurance company incorporated as a mutual insurer, at least  
 228 \$500,000.

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

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233 the nature of the risks to be insured.

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

236 628.909 Applicability of other laws.—

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

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

243 628.921 Protected cell captive insurance companies.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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581 liabilities, to the new protected cell captive insurance  
 582 company.

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

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

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

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610 on or after the date of final conversion or disaffiliation.

611 Section 7. This act shall take effect July 1, 2026.

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



The Florida Senate

## Committee Agenda Request

**To:** Senator Jason Brodeur, Chair  
Appropriations Committee on Agriculture, Environment, and General  
Government

**Subject:** Committee Agenda Request

**Date:** February 4, 2026

---

I respectfully request that **Senate Bill #990**, relating to Protected Cell Captive Insurance Companies, be placed on the:

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Leek", written over a horizontal line.

Sen. Tom Leek  
Florida Senator, District 7

The Florida Senate

APPEARANCE RECORD

2-18-26

Meeting Date

SB 990

Bill Number or Topic

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

SENATE APPROPRIATIONS...

Committee

Amendment Barcode (if applicable)

Name WAYNE S. MATTHEWS

Phone 727 946 2233

Address 9095 EAGLES RIDGE DR. Street

Email

TAWAHASSEE FL 32512 City State Zip

Speaking: [X] For [ ] Against [ ] Information OR Waive Speaking: [ ] In Support [ ] Against

PLEASE CHECK ONE OF THE FOLLOWING:

[X] I am appearing without compensation or sponsorship.

[ ] I am a registered lobbyist, representing:

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

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

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

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

February 18, 2024

Meeting Date

990

Bill Number or Topic

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

Approps. Ag., Enviro. & Gen. Gov't

Committee

Amendment Barcode (if applicable)

Name Benjamin Stearns

Phone (850) 425-3383

Address 215 S. Monroe St., Suite 500

Email bstearns@carltonfields.com

Street

Tallahassee

FL

32301

City

State

Zip

Speaking:  For  Against  Information

OR

Waive Speaking:  In Support  Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

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

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

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

S-001 (08/10/2021)

February 18, 2026

The Florida Senate  
**APPEARANCE RECORD**

990

Meeting Date

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

Bill Number or Topic

Ag, Enviro & GG Approps

Committee

Amendment Barcode (if applicable)

Name **Barney Bishop**

Phone **8505109922**

Address **1454 Vieux Carre Drive**

Email **Barney@BarneyBishop.com**

Street

**Tallahassee**

**FL**

**32308**

City

State

Zip

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

**PLEASE CHECK ONE OF THE FOLLOWING:**

I am appearing without  
compensation or sponsorship.

I am a registered lobbyist,  
representing:

**Florida Smart Justice Alliance**

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

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

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

S-001 (08/10/2021)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

---

BILL: CS/SB 1078

INTRODUCER: Governmental Oversight and Accountability Committee and Senator Grall

SUBJECT: Gubernatorial Transition

DATE: February 17, 2026

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>McVaney</u>	<u>McVaney</u>	<u>GO</u>	<u>Fav/CS</u>
2.	<u>Davis</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>RC</u>	_____

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 1078 establishes a minimum level of cooperation and coordination between the incumbent gubernatorial administration and the Governor-elect's administration. This level of cooperation and coordination is primarily assigned to the liaison in the Executive Office of the Governor (as designated by the incumbent Governor) and the state agency liaisons (as designated by the agency head of each state agency). For purposes of this bill, state agency includes only those executive branch agencies for which the head of the agency is appointed solely by the Governor.

The Department of Management Services (DMS) must provide the Governor-elect and the transition staff with temporary office space within the Capitol Center during the transition period. Upon request by the Governor-elect, the DMS must provide the Governor-elect and certain transition staff designated in writing by the Governor-elect with state information technology and associated resources. The designated staff must sign a memorandum of understanding regarding the adherence to cybersecurity protocols.

The bill permits the Governor-elect to designate one person in each temporary office access to public records that have been made confidential and exempt from public records inspection and copying requirements. The designated transition staff must sign a memorandum of understanding regarding the disclosure of any records made confidential and exempt from the public disclosure by the legislature.

The bill is not expected to impact state and local government revenues and expenditures. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

## **II. Present Situation:**

### **The Governor-elect**

#### ***Generally***

After the General Election for the office of Governor, the Election Canvassing Committee will certify the winner of the election. This winner is commonly referred to as the Governor-elect. However, the Governor-elect does not assume office until the first Tuesday after the first Monday in January after the election.<sup>1</sup> On this date, the Governor is inaugurated and begins performing the constitutional and statutory duties of the office of the Governor.

#### ***Operating Fund for the Governor-elect***

An operating fund is established for use by the Governor-elect for the period beginning with the certification of the election to the inauguration as Governor. Funds appropriated in this account may be used for travel, general expenses, the Governor-elect's salary, and staff salaries. The Governor-elect has significant discretion on how to use such funds, but the total expenditures chargeable to the operating fund may not exceed the amount appropriated.<sup>2</sup>

The Department of Management Services is directed to provide the Governor-elect, transition staff, and inauguration staff with temporary office space in the Capitol Complex.<sup>3</sup> For this purpose, the incumbent Governor is not considered a Governor-elect if elected to a second consecutive term. In this instance, all moneys appropriated to the operating fund will revert to the General Revenue Fund.<sup>4</sup>

#### ***Inauguration Expense Fund for the Governor-elect***

An inauguration expense fund is established for use by the Governor-elect in planning and conducting inauguration ceremonies. The Governor-elect is authorized to appoint an inauguration coordinator and other necessary staff. Salaries for the coordinator and staff are determined by the Governor-elect and are payable from the inauguration expense fund.

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<sup>1</sup> FLA. CONST. art. IV, s. 5(a).

<sup>2</sup> Section 14.057(1), F.S.

<sup>3</sup> Section 14.057(2), F.S.

<sup>4</sup> Section 14.057(3), F.S.

## Capitol Complex

Chapter 272, F.S., provides that the Capitol Center<sup>5</sup> is under the general control and supervision of the Department of Management Services (DMS),<sup>6</sup> which includes the management and maintenance of both the grounds and buildings.<sup>7</sup> The DMS is authorized to allocate space in the specified buildings to house various departments, agencies, boards, and commissions except the Supreme Court Building.<sup>8</sup> Additionally, the DMS has the authority to provide for the establishment of parks, walkways, and parkways on the grounds of the Capitol Center.<sup>9</sup> This responsibility has historically included assistance in establishing and maintaining public memorials throughout the Capitol Center, including project management oversight of the design and construction of memorials.

The term “Capitol Complex” is defined to include:

that portion of Capitol Center, commonly referred to as the Capitol, the Historic Capitol, the Senate Office Building, the House Office Building, the Knott Building, the Pepper Building, the Holland Building, the Elliott Building, the R.A. Gray Building, and the associated parking garages and curtilage of each, including the state-owned lands and public streets adjacent thereto within and are bounded by and including Calhoun Street, East Pensacola Street, Monroe Street, Jefferson Street, West Pensacola Street, Martin Luther King, Jr. Boulevard, and Gaines Street. The term does not include the Supreme Court Building or the public streets adjacent thereto.<sup>10</sup>

The management, maintenance, and upkeep of the Capitol Complex is the obligation of the DMS, which has the authority to employ a superintendent of the grounds and other employees.<sup>11</sup>

The following entities are located in the Capitol – The Executive Office of the Governor, the Florida Senate, the Florida House of Representatives, the Attorney General and the Department of Legal Affairs, the Chief Financial Officer and the Department of Financial Services, the Commissioner of Agriculture and the Department of Agriculture and Consumer Services, the Department of State (library), the Department of Law Enforcement (Capitol Police), and the DMS. Agencies located in the remainder of the Capitol Complex include the Department of Commerce<sup>12</sup> and the Department of State.

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<sup>5</sup> Section 272.12, F.S., describes the Tallahassee area bound by South Martin Luther King, Jr. Boulevard, East and West College Avenue, Franklin Boulevard, East Jefferson Street, and the Seaboard Coastline Railway right-of-way as the Capitol Center.

<sup>6</sup> Section 272.03, F.S.

<sup>7</sup> Section 272.09, F.S.

<sup>8</sup> Section 272.04, F.S.

<sup>9</sup> Section 272.07, F.S.

<sup>10</sup> Section 272.09, F.S.

<sup>11</sup> Section 272.09, F.S.

<sup>12</sup> Although the Caldwell Building is within the geographic boundaries of the Capitol Complex, it is not specifically named as part of the Capitol Complex in s. 272.09, F.S.

**State Agencies**

***Agencies with Heads Appointed Solely by Governor***

State agencies whose head is appointed solely by the Governor are listed below in Table 1. These agencies are headed by department secretaries or other appointed state officers.

**Table 1.**

Agency for Health Care Administration	Fish and Wildlife Conservation Commission	Department of Elder Affairs	Department of Juvenile Justice
Department of Business and Professional Regulation	Department of Commerce	Department of Corrections	Department of Transportation
Department of Children and Families	Agency for Persons with Disabilities	Department of Military Affairs	Department of Citrus
Department of Environmental Protection	Department of Management Services	Department of Education	Department of Lottery
Department of State	Department of Health	Division of Administrative Hearings	Office of Judges of Compensation Claims
Office of Regional Conflict and Civil Counsel	Capital Collateral Regional Counsel	Statewide Guardian Ad Litem Office	Elections Commission
Reemployment Assistance Appeals Commission	Public Employees Relations Commission	Commission on Human Relations	Building Commission
Florida College System institutions	Florida Virtual School		

***Other State Agencies***

State agencies whose agency head is not appointed solely by the Governor are listed below in Table 2. These agencies are headed by elected Cabinet officers, the Governor and Cabinet together, or other collegial bodies.

**Table 2**

Department of Legal Affairs	Department of Agriculture and Consumer Services	Department of Financial Services	Department of Revenue
Department of Law Enforcement	Department of Highway Safety and Motor Vehicles	State Board of Administration	Financial Services Commission
Department of Veterans Affairs	Commission on Offender Review		

**Public Records Law**

***Generally***

The State Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.<sup>13</sup> This applies to the official business

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<sup>13</sup> FLA. CONST. art. I, s. 24(a).

of any public body, officer, or employee of the state, including all three branches of state government, local governmental entities, and any person acting on behalf of the government.<sup>14</sup>

Chapter 119, F.S., known as the Public Records Act, constitutes the main body of public records laws.<sup>15</sup> The Public Records Act states that:

[i]t is the policy of this state that all state, county, and municipal records are open for personal inspection and copying by any person. Providing access to public records is a duty of each agency.<sup>16</sup>

The Public Records Act typically contains general exemptions that apply across agencies. Agency- or program-specific exemptions often are placed in the substantive statutes relating to that particular agency or program.

The Public Records Act does not apply to legislative or judicial records.<sup>17</sup> Legislative records are public pursuant to s. 11.0431, F.S. Public records exemptions for the Legislature are codified primarily in s. 11.0431(2), (3), F.S., and adopted in the rules of each house of the Legislature.

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

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

The Florida Supreme Court has interpreted this definition to encompass all materials made or received by an agency in connection with official business which are used to “perpetuate, communicate, or formalize knowledge of some type.”<sup>18</sup>

Chapter 119, F.S., specifies conditions under which public access to governmental records must be provided. The Public Records Act guarantees every person’s right to inspect and copy any state or local government public record at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record.<sup>19</sup> A violation of the Public Records Act may result in civil or criminal liability.<sup>20</sup>

Only the Legislature may create an exemption to public records requirements.<sup>21</sup> An exemption must be created by general law and must specifically state the public necessity justifying the

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<sup>14</sup> *Id.*; see also *Sarasota Citizens for Responsible Gov’t v. City of Sarasota*, 48 So. 3d 755, 762-763 (Fla. 2010).

<sup>15</sup> Public records laws are found throughout the Florida Statutes.

<sup>16</sup> Section 119.01(1), F.S.

<sup>17</sup> *Locke v. Hawkes*, 595 So. 2d 32, 34 (Fla. 1992); *Times Pub. Co. v. Ake*, 660 So. 2d 255 (Fla. 1995).

<sup>18</sup> *Shevin v. Byron, Harless, Schaffer, Reid & Assoc.*, 379 So. 2d 633, 640 (Fla. 1980).

<sup>19</sup> Section 119.07(1)(a), F.S.

<sup>20</sup> Section 119.10, F.S. Public records laws are found throughout the Florida Statutes, as are the penalties for violating those laws.

<sup>21</sup> FLA. CONST. art. I, s. 24(c).

exemption.<sup>22</sup> Further, the exemption must be no broader than necessary to accomplish the stated purpose of the law. A bill enacting an exemption may not contain other substantive provisions<sup>23</sup> and must pass by a two-thirds vote of the members present and voting in each house of the Legislature.<sup>24</sup>

When creating a public records exemption, the Legislature may provide that a record is “exempt” or “confidential and exempt.” There is a difference between records the Legislature has determined to be exempt from the Public Records Act and those which the Legislature has determined to be exempt from the Public Records Act *and confidential*.<sup>25</sup> Records designated as “confidential and exempt” are not subject to inspection by the public and may only be released under the circumstances defined by statute.<sup>26</sup> Records designated as “exempt” may be released at the discretion of the records custodian under certain circumstances.<sup>27</sup>

### ***Governor-elect***

Section 119.035, F.S., provides:

It is the policy of this state that the provisions of this chapter apply to officers-elect upon their election to public office. Such officer-elect shall adopt and implement reasonable measures to ensure compliance with the public records obligations set forth in this chapter.

If an officer-elect, individually or as part of the transition process, creates or uses an online or electronic communication or recordkeeping system, all public records maintained on the system must be preserved to ensure that the public has the ability to inspect or copy such records.<sup>28</sup> Upon taking the oath of office, the Governor-elect must deliver the records custodian of the Executive Office of the Governor all public records kept or received in the transaction of official business during the transition.<sup>29</sup>

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

**Section 1** creates s. 14.059, F.S., to set requirements for the transition of state governance from the incumbent gubernatorial administration to the Governor-elect’s administration. To ensure some level of cooperation and preparation, the bill requires the incumbent Governor to designate a transition liaison within the Executive Office of the Governor. This liaison is tasked with:

- Serving as the primary point of contact between the current administration and the Governor-elect and the transition staff.
- Overseeing and coordinating transition planning and operations with state agencies.
- Creating a transition directory that summarizes the statutory authority, programs, functions, and organizational structure of each state agency.

<sup>22</sup> *Id.*

<sup>23</sup> The bill may, however, contain multiple exemptions that relate to one subject.

<sup>24</sup> FLA. CONST. art. I, s. 24(c).

<sup>25</sup> *WFTV, Inc. v. The Sch. Bd. of Seminole County*, 874 So. 2d 48, 53 (Fla. 5<sup>th</sup> DCA 2004).

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

<sup>27</sup> *Williams v. City of Minneola*, 575 So. 2d 683 (Fla. 5<sup>th</sup> DCA 1991).

<sup>28</sup> Section 119.035(3), F.S.

<sup>29</sup> Section 119.035(4), F.S.

- Creating and coordinating transition training, orientation, and briefings for the Governor-elect and the transition staff.
- Establishing instructions and guidance for agency transition liaisons regarding the preparation, content, and delivery of standardized briefing books.

Likewise, the head of each state agency must designate an agency liaison. This position must:

- Serve as the primary point of contact between the agency and the Governor-elect and the transition staff.
- Prepare standardized briefing books.

For purposes of this bill, state agency includes only those executive branch agencies for which the Governor solely appoints the head of the agency.

The DMS must provide the Governor-elect, the transition staff, and the inauguration staff with temporary office facilities in the Capitol Center during the transition period. Upon request, the DMS is required to provide to the Governor-elect and designated members of the transition team information technology and related resources.

The bill requires each state agency to provide temporary office space within the agency headquarters for use by the transition team and provide the transition staff access to the agency leadership personnel during the transition period.

The transition team must be granted access to all state agency records upon request, including public records that are confidential and exempt from public records inspection and copying requirements. The Governor-elect may designate one transition staff member from each temporary office access to confidential and exempt records. Before accessing exempt or confidential and exempt records, the transition team member must sign a memorandum of understanding acknowledging the status of the records and that disclosure of such records is prohibited by law.

**Section 2** amends s. 14.057, F.S., to delete a duty placed on the DMS to provide the Governor-elect, the Governor-elect's staff, and the inauguration staff temporary office space in the Capitol Center from the day the election is certified to the day of the inauguration. This provision is moved to s. 14.059, F.S.

**Section 3** provides the bill takes effect upon becoming a law.

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

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

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

B. Public Records/Open Meetings Issues:

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:

This bill is not expected to impact local government revenues and expenditures. State agencies may incur costs associated with the bill’s requirements, including transition coordination, preparation of briefing materials, participating in training activities, providing of office space, and information technology support. Any such costs will vary based on the scope of transition activities and the level of agency involvement. However, any costs are anticipated to be handled within existing resources of each affected state agency.

In response to the last two gubernatorial elections, the Legislature appropriated the following amounts from the General Revenue Fund to the Executive Office of the Governor for “Transition Assistance.”

Fiscal Year	Appropriation
2018-19	\$2,377,350 <sup>30</sup>
2022-23	\$2,377,350 <sup>31</sup>

The Senate proposed budget currently includes \$3 million for Fiscal Year 2026-2027.

<sup>30</sup> Specific Appropriation 1968, ch. 2018-9, Laws of Fla.

<sup>31</sup> Specific Appropriation 2050A, ch. 2022-156, Laws of Fla.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 14.057 of the Florida Statutes.

This bill creates section 14.059 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 Governmental Oversight and Accountability on February 2, 2026:**

- Requires the Department of Management Services, rather than the Florida Digital Service, to provide the Governor-elect and staff information technology and related resources necessary for transition operations.
- Narrows access to confidential and exempt public records to only those transition staff that are designated by the Governor-elect. Only one person may be designated for this access in each temporary transition office.

**B. Amendments:**

None.

By the Committee on Governmental Oversight and Accountability;  
and Senator Grall

585-02414-26

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1 A bill to be entitled  
2 An act relating to gubernatorial transition; creating  
3 s. 14.059, F.S.; defining terms; requiring the  
4 Governor to designate a transition liaison within the  
5 Executive Office of the Governor within a specified  
6 timeframe; providing duties of the transition liaison;  
7 requiring the head of each state agency to designate  
8 an agency transition liaison within a specified  
9 timeframe; providing duties of the agency transition  
10 liaisons; requiring the Department of Management  
11 Services and each state agency to provide certain  
12 temporary office facilities to certain persons during  
13 the transition period; requiring the department, upon  
14 request, to provide the Governor-elect and his or her  
15 staff with information technology and related  
16 resources for such transition period; requiring the  
17 Governor-elect to designate in writing the staff to be  
18 provided with such resources; requiring specified  
19 persons to sign a certain memorandum of understanding;  
20 requiring each state agency, upon request, to provide  
21 the Governor-elect and his or her staff with access to  
22 agency leadership personnel during the transition  
23 period; authorizing state agencies to assign limited  
24 personnel to assist the Governor-elect and his or her  
25 staff; requiring that the Governor-elect and his or  
26 her staff be granted access to all state agency  
27 records upon request; requiring that the Governor-  
28 elect and persons designated by the Governor-elect be  
29 granted access to confidential and exempt records

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30 under certain conditions; providing criminal  
31 penalties; amending s. 14.057, F.S.; conforming  
32 provisions to changes made by the act; providing an  
33 effective date.  
34

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

36  
37 Section 1. Section 14.059, Florida Statutes, is created to  
38 read:

39 14.059 Gubernatorial transition; coordination, access, and  
40 agency obligations.—

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

42 (a) "State agency" means an executive branch agency the  
43 head of which is appointed solely by the Governor.

44 (b) "Transition period" means the period beginning on the  
45 day the Elections Canvassing Commission certifies the results of  
46 a general election in a year in which the Governor is elected  
47 and ending on the day the Governor-elect is inaugurated as  
48 Governor. The term does not include any period following the  
49 reelection of an incumbent Governor to a second consecutive  
50 term.

51 (2) No later than the 10th day after the primary election,  
52 the Governor shall designate a transition liaison within the  
53 Executive Office of the Governor. The transition liaison shall:

54 (a) Serve as the primary point of contact between the  
55 current administration and the Governor-elect and his or her  
56 staff.

57 (b) Oversee and coordinate transition planning and  
58 operations with state agencies.

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59 (c) Create a transition directory that summarizes the  
 60 statutory authority, programs, functions, and organizational  
 61 structure of each state agency. The transition directory must be  
 62 delivered to the Governor-elect within 3 days after the  
 63 beginning of the transition period.

64 (d) Create and coordinate transition training, orientation,  
 65 and briefings for the Governor-elect and his or her staff which  
 66 cover:

67 1. The organizational structure of the executive branch of  
 68 state government.

69 2. Administrative processes of state agencies, including  
 70 personnel systems.

71 3. Public records and meeting requirements.

72 4. Ethics and financial disclosure laws.

73 5. Rulemaking procedures under the Administrative Procedure  
 74 Act.

75 6. State budgeting and financial management processes.

76 7. Any additional subject identified by the Governor-elect  
 77 and determined by the transition liaison to be reasonably  
 78 necessary to support an orderly transition between  
 79 administrations and the continuity of state agency operations.

80 (e) Establish instructions and guidance for agency  
 81 transition liaisons regarding the preparation, content, and  
 82 delivery of standardized briefing books under paragraph (3) (b).

83 (3) No later than the 10th day after the primary election,  
 84 the head of each state agency shall designate an agency  
 85 transition liaison. The agency transition liaison shall:

86 (a) Serve as the primary point of contact between the  
 87 agency and the transition liaison.

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88 (b) Prepare standardized briefing books in accordance with  
 89 instructions and guidance established by the transition liaison.  
 90 The briefing books shall be delivered to the Governor-elect  
 91 within 3 days after the beginning of the transition period and  
 92 shall:

93 1. Outline the agency's organizational structure, mission,  
 94 programs, budget, major contracts, recently concluded and  
 95 pending litigation, and rulemaking activity.

96 2. Identify all agency leadership personnel, including the  
 97 chief of staff, general counsel, deputy chiefs of staff, deputy  
 98 secretaries, division directors, and bureau chiefs.

99 3. Include any information deemed necessary by the  
 100 transition liaison to support an orderly transition between  
 101 administrations and the continuity of state agency operations.

102 (4) (a) 1. The Department of Management Services shall  
 103 provide the Governor-elect, his or her staff, and the  
 104 inauguration staff with temporary office facilities in the  
 105 Capitol Center during the transition period.

106 2. Each state agency shall provide temporary office space  
 107 within the agency headquarters for use by the Governor-elect and  
 108 his or her staff during the transition period.

109 (b) 1. Upon request of the Governor-elect, the Department of  
 110 Management Services shall provide the Governor-elect and his or  
 111 her staff with information technology and related resources  
 112 necessary for transition operations during the transition  
 113 period. The Governor-elect must designate in writing each person  
 114 to be provided with information technology and related services.  
 115 At a minimum, information technology and related services  
 116 include:

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117 a. Computers and any necessary equipment for their use.  
 118 b. Secure e-mail accounts.  
 119 c. Cybersecurity training and monitoring.  
 120 d. Technical assistance related to the use of the  
 121 information technology.  
 122 2. Before the Governor-elect or a designee of the Governor-  
 123 elect is provided with information technology, he or she must  
 124 sign a memorandum of understanding acknowledging that he or she  
 125 will adhere to state cybersecurity practices and will return the  
 126 information technology to the department upon conclusion of the  
 127 transition period.  
 128 (5) (a) Upon request and in coordination with the transition  
 129 liaison, each state agency shall provide the Governor-elect and  
 130 his or her staff with access to agency leadership personnel  
 131 during the transition period, including the chief of staff,  
 132 general counsel, deputy chiefs of staff, deputy secretaries,  
 133 division directors, and bureau chiefs.  
 134 (b) Each state agency may assign limited personnel to  
 135 assist the Governor-elect and his or her staff during the  
 136 transition period to the extent consistent with the agency's  
 137 operational needs.  
 138 (6) (a) During the transition period, the Governor-elect and  
 139 his or her staff shall be granted access to all state agency  
 140 records upon request.  
 141 (b) 1. During the transition period, the Governor-elect and  
 142 persons designated by the Governor-elect shall be granted access  
 143 to records that are confidential or exempt from s. 119.07(1) or  
 144 s. 24(a), Art. I of the State Constitution. The Governor-elect  
 145 must designate in writing each person who must be granted access

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146 to such records. No more than one person per temporary office  
 147 provided pursuant to paragraph (4) (a) may be designated by the  
 148 Governor-elect under this paragraph.  
 149 2. Before accessing any confidential or exempt records, the  
 150 Governor-elect and his or her designees must sign a memorandum  
 151 of understanding acknowledging that:  
 152 a. Such records will remain confidential or exempt.  
 153 b. Disclosure of such records or the information contained  
 154 therein is prohibited unless specifically authorized by law.  
 155 c. All records will be returned to the custodian at the  
 156 conclusion of the transition period.  
 157 d. The Governor-elect and his or her designees may not  
 158 disclose or use confidential or exempt information for their  
 159 personal gain or benefit or for the personal gain or benefit of  
 160 any other person or business entity.  
 161 e. A violation of sub-subparagraphs a. through d. is a  
 162 crime punishable as a felony of the third degree.  
 163 3. Any person who willfully and knowingly violates this  
 164 paragraph commits a felony of the third degree, punishable as  
 165 provided in s. 775.082 or s. 775.083.  
 166 Section 2. Subsection (2) of section 14.057, Florida  
 167 Statutes, is amended to read:  
 168 14.057 Governor-elect; establishment of operating fund.-  
 169 ~~(2) The Department of Management Services shall provide for~~  
 170 ~~the Governor-elect, the Governor-elect's staff, and the~~  
 171 ~~inauguration staff temporary office facilities in the capitol~~  
 172 ~~center for the period extending from the day of the~~  
 173 ~~certification of the Governor-elect's election by the Elections~~  
 174 ~~Canvassing Commission to the day of his or her inauguration.~~

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Section 3. This act shall take effect upon becoming a law.



The Florida Senate

## Committee Agenda Request

**To:** Senator Jason Brodeur, Chair  
Appropriations Committee on Agriculture, Environment, and General  
Government

**Subject:** Committee Agenda Request

**Date:** February 5, 2026

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I respectfully request that **Senate Bill #1078**, relating to Gubernatorial Transition, be placed on the:

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

A handwritten signature in blue ink that reads "Erin K. Grall".

---

Senator Erin Grall  
Florida Senate, District 29

**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 Appropriations Committee on Agriculture, Environment, and General Government

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BILL: CS/SB 1440

INTRODUCER: Banking and Insurance Committee and Senator Martin

SUBJECT: Public Records/Office of Financial Regulation/Cybersecurity Event

DATE: February 17, 2026

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Moody</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>RC</u>	_____

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 1440, which is linked to the passage of SB 540, makes confidential and exempt from public records disclosure requirements certain information held by the Office of Financial Regulation (the “Office”) related to mortgage businesses, money services businesses, and financial institutions such as information relating to the cybersecurity requirements proposed in SB 540, investigations conducted by the Office or a law enforcement agency (the “cybersecurity exemptions”), and information contained in a credit union’s application for formation (the “credit union exemption”).

The bill provides statements of public necessity as required by the state constitution.

Because the bill creates a new public records exemption, it requires a two-thirds vote of the membership of both houses of the Legislature for final passage.

The public records exemptions in the bill are subject to the Open Government Sunset Review Act. The cybersecurity exemptions will be repealed on October 2, 2031, unless the statutes are reviewed and reenacted by the Legislature before that date. The credit union exemption will be repealed on October 2, 2029, unless the statute is reviewed and reenacted by the Legislature before that date. While the repeal date is typically five years from enactment of an exemption, the repeal date for the credit union exemption is three years, so that it remains consistent with the repeal dates of other exemptions currently in s. 655.057(5), F.S.

There is no impact to state revenues or expenditures. *See Section V., Fiscal Impact Statement.*

The bill is effective on the same date that SB 540 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

## II. Present Situation:

### Florida Public Records Law

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

Chapter 119, F.S., known as the Public Records Act, constitutes the main body of public records laws.<sup>3</sup> The Public Records Act states that:

[i]t is the policy of this state that all state, county, and municipal records are open for personal inspection and copying by any person. Providing access to public records is a duty of each agency.<sup>4</sup>

The Public Records Act typically contains general exemptions that apply across agencies. Agency- or program-specific exemptions often are placed in the substantive statutes relating to that particular agency or program.

The Public Records Act does not apply to legislative or judicial records.<sup>5</sup> Legislative records are public pursuant to s. 11.0431, F.S. Public records exemptions for the Legislature are codified primarily in s. 11.0431(2)-(3), F.S., and adopted in the rules of each house of the legislature.

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

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

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

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<sup>1</sup> FLA. CONST., art. I, s. 24(a).

<sup>2</sup> *Id.*

<sup>3</sup> Public records laws are found throughout the Florida Statutes.

<sup>4</sup> Section 119.01(1), F.S.

<sup>5</sup> *Locke v. Hawkes*, 595 So. 2d 32, 34 (Fla. 1992); *See also Times Pub. Co. v. Ake*, 660 So. 2d 255 (Fla. 1995).

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

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

Only the Legislature may create an exemption to public records requirements.<sup>9</sup> An exemption must be created by general law and must specifically state the public necessity justifying the exemption.<sup>10</sup> Further, the exemption must be no broader than necessary to accomplish the stated purpose of the law. A bill enacting an exemption may not contain other substantive provisions<sup>11</sup> and must pass by a two-thirds vote of the members present and voting in each house of the Legislature.<sup>12</sup>

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

### **Open Government Sunset Review Act**

The Open Government Sunset Review Act<sup>16</sup> (the Act) prescribes a legislative review process for newly created or substantially amended<sup>17</sup> public records or open meetings exemptions, with specified exceptions.<sup>18</sup> It requires the automatic repeal of such exemption on October 2 of the fifth year after creation or substantial amendment, unless the Legislature reenacts the exemption.<sup>19</sup>

The Act provides that a public records or open meetings exemption may be created or maintained only if it serves an identifiable public purpose and is no broader than is necessary.<sup>20</sup>

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<sup>7</sup> Section 119.07(1)(a), F.S.

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

<sup>9</sup> FLA. CONST. art. I, s. 24(c).

<sup>10</sup> *Id.*

<sup>11</sup> The bill may, however, contain multiple exemptions that relate to one subject.

<sup>12</sup> FLA. CONST. art. I, s. 24(c)

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

<sup>14</sup> *Id.*

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

<sup>16</sup> Section 119.15, F.S.

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

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

<sup>19</sup> Section 119.15(3), F.S.

<sup>20</sup> Section 119.15(6)(b), F.S.

An exemption serves an identifiable public purpose if it meets one of the following purposes *and* the Legislature finds that the purpose of the exemption outweighs open government policy and cannot be accomplished without the exemption:

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

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

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

## Public Records Exemptions

### *Criminal Intelligence and Investigation Information*

The Public Records Act provides an exemption from public records disclosure requirements for active criminal intelligence and active criminal investigation information.<sup>27</sup> The exemption includes a request from a law enforcement agency to inspect or copy a public record that is in the custody of another agency, the custodian's response, and any information that would identify whether a law enforcement agency has requested or received such public records. This exemption applies only during the period in which the information constitutes active criminal intelligence and investigation information.<sup>28</sup> The requesting law enforcement agency must give

<sup>21</sup> Section 119.15(6)(b)1., F.S.

<sup>22</sup> Section 119.15(6)(b)2., F.S.

<sup>23</sup> Section 119.15(6)(b)3., F.S.

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

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

<sup>25</sup> FLA. CONST. art. I, s. 24(c). *See generally* s. 119.15, F.S.

<sup>26</sup> Section 119.15(7), F.S.

<sup>27</sup> Section 119.071(2)(c)1., F.S.

<sup>28</sup> Section 119.071(2)(c)2.a., F.S.

notice to the custodial agency when the criminal intelligence information or criminal investigative information is no longer active so the information may be made available to the public.<sup>29</sup>

### Financial Regulation

The Office of Financial Regulation (Office or OFR) is responsible for regulating all activities of state-chartered banks, state-chartered credit unions, other financial institutions, finance companies, and the securities industry (together, the “financial services”).<sup>30</sup> The number of licensees or state-chartered institutions<sup>31</sup> regulated by the office is summarized below:

<u>Division</u>	<u>Number of Persons Regulated</u>
Division of Consumer Finance	122,530
Division of Financial Institutions	196
Division of Securities	403,627
Total Regulated Persons	526,353

### Financial Institutions

A financial institution must have a federal or state charter to accept deposits. Banks are chartered and regulated as national banks by the Office of the Comptroller of the Currency within the U.S. Department of the Treasury or as state banks by a state regulator.<sup>32</sup> The Florida Financial Institutions Codes apply to all state-authorized or state-chartered financial banks, trust companies, and related entities.<sup>33</sup> There are 196 financial institutions regulated by the office, including 57 banks and 67 credit unions.<sup>34</sup>

Federally chartered banks, publicly or privately held, must comply with rigorous regulatory requirements to become chartered.<sup>35</sup> The office is required to make certain findings before approving an application to organize a bank or trust company.<sup>36</sup> An application for authority to organize a bank or trust company must be submitted on a form prescribed by the commission and must include certain information, such as detailed financial, business, and biographical information for each proposed director and executive officer, and information relating to initial

<sup>29</sup> Section 119.071(2)(c)2.b., F.S.

<sup>30</sup> Section 20.121(3)(a)2., F.S.

<sup>31</sup> Florida Office of Financial Regulation, *Fast Facts* (Jan. 2025 ed.), <https://flofr.gov/docs/default-source/documents/fast-facts.pdf> (last visited Feb. 12, 2026) (hereinafter cited as “2025 OFR Fast Facts”).

<sup>32</sup> Congressional Research Service, *Introduction to Financial Services: Banking* (April 1, 2025), p. 1, <https://crsreports.congress.gov/product/pdf/IF/IF10035> (last visited Feb. 12, 2026).

<sup>33</sup> Section 655.005(1)(k), F.S., states that the Financial Institutions Codes includes: ch. 655, financial institutions generally; ch. 657, credit unions; ch. 658, banks and trust companies; ch. 660, trust business; ch. 662, family trust companies; ch. 663, international banking; ch. 665, relating to associations; and ch. 667, savings banks.

<sup>34</sup> 2025 OFR Fast Facts.

<sup>35</sup> See 12 CFR 16; Office of the Comptroller of the Currency, *Comptroller’s Licensing Manual Charters*, (December 2021), p. 4, <https://www.occ.gov/publications-and-resources/publications/comptrollers-licensing-manual/files/charters.pdf> (last visited Feb. 12, 2026).

<sup>36</sup> Section 658.21, F.S.

share capital.<sup>37</sup> Organizers of credit unions must also submit an application on a form prescribed by the commission which contains specified information relating to the share value, board of directors, and information required to be submitted to the National Credit Union Administration.<sup>38</sup>

### ***Confidential and Exempt Records in the Financial Institutions Codes***

Florida law makes confidential and exempt from public disclosure certain information received by the Office of Financial Regulation (the “Office”) pursuant to an application for authority to organize a new state bank<sup>39</sup> or new state trust company<sup>40</sup> under ch. 658, F.S., including:

- Personal financial information;
- A driver license number, a passport number, a military identification number, or any other number or code issued on a government document used to verify identity;
- Books and records of a current or proposed financial institutions; and
- The proposed business plan and supporting documentation.<sup>41</sup>

Current law also makes exempt from public disclosure requirements personal identifying information of a proposed officer or director who is currently employed by, or actively participates in the affairs of, another financial institution received by the office pursuant to an application for authority to organize a new state bank or new state trust company under ch. 658, F.S., until the application is approved or the charter is issued. The term “personal identifying information” is defined as names, home addresses, e-mail addresses, telephone numbers, names of relatives, work experience, professional licensing and educational backgrounds, and photographs.<sup>42</sup> This will allow the office to disclose the personal identifying information to other governmental entities, e.g., the Florida Department of Law Enforcement or the Federal Bureau of Investigation to conduct a criminal background check in the course of its statutorily imposed duty to investigate these individuals.

Books and records of currently-chartered financial institutions are confidential and may be made available for inspection and examination only in limited circumstances, for instance:<sup>43</sup>

- To the office or its duly authorized representative;
- To any person duly authorized to act for the financial institution;
- To any federal or state instrumentality or agency authorized to inspect or examine the books and records of an insured financial institution;
- As compelled by a court of competent jurisdiction; and
- As compelled by legislative subpoena, as provided by law.

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<sup>37</sup> Section 658.19, F.S.

<sup>38</sup> Section 657.005, F.S.

<sup>39</sup> Section 658.12(17), F.S., defines “state bank” as any bank which has a subsisting bank charter issued pursuant to the provisions of the financial institutions codes or the general banking laws of this state in effect prior to the enactment of the financial institutions codes.

<sup>40</sup> Section 658.12(19), F.S, defines “state trust company” as a corporation, other than a bank, which has a subsisting trust company charter issued pursuant to the provisions of the financial institutions codes or the applicable laws of the state in effect prior to the enactment of the financial institutions codes.

<sup>41</sup> Section 655.057(5)(a), F.S.

<sup>42</sup> Section 655.057(5)(b), F.S.

<sup>43</sup> Section 655.059(1), F.S.

Florida law also contains several provisions which make confidential and exempt from the Public Records Act certain records or information of financial institutions relating to:

- Investigations conducted by the office;<sup>44</sup>
- Reports of examinations,<sup>45</sup> operations, or condition, including working papers,<sup>46</sup> or portions thereof, prepared by, or for the use of, the office or any state or federal agency responsible for the regulation or supervision of financial institutions<sup>47</sup> in Florida;<sup>48</sup>
- Informal enforcement actions;<sup>49, 50</sup>
- Trade secrets<sup>51</sup> held by the office;<sup>52</sup>
- Any portion of a required shareholder list which reveals the shareholders' identities;<sup>53</sup> and
- Confidential documents supplied to the office or to employees of any financial institution by other state or federal governmental agencies.<sup>54</sup>

Any person who willfully discloses information made confidential commits a felony of the third degree.<sup>55</sup> There is no provision in the Financial Institutions Codes which makes confidential or exempts from the Public Records Act information received by the office in relation to an application for authority to organize a new credit union.<sup>56</sup> While some of the information submitted as part of an application may constitute a trade secret, protected under s. 655.057(4), F.S., other information, such as a driver's license number or passport number, are not specifically protected in that context. The exemptions do not prevent or restrict:

- Publishing certain reports that must be submitted to the office or that are required to be published by federal law or regulation;
- Providing records or information to any other state, federal, or foreign agency responsible for the regulation and supervision of financial institutions;

<sup>44</sup> Section 655.057(1), F.S.

<sup>45</sup> Section 655.057(13)(a), F.S., defines "examination report" as records submitted to or prepared by the office as part of the office's duties performed pursuant to s. 655.012, F.S., or s. 655.045(1), F.S.

<sup>46</sup> Section 655.057(13)(d), F.S., defines "working papers" as the records of the procedures followed, the tests performed, the information obtained, and the conclusions reached in an examination or investigation performed under s. 655.032, F.S., or s. 655.045, F.S. Working papers include planning documentation, work programs, analyses, memoranda, letters of confirmation and representation, abstracts of the books and records of a financial institution as defined in s. 655.005(1), F.S., and scheduled or commentaries prepared or obtained in the course of such examination or investigation.

<sup>47</sup> Section 655.005(1)(i), F.S., defines "financial institution" as a state or federal savings or thrift association, bank, savings bank, trust company, international bank agency, international banking corporation, international branch, international representative office, international administrative office, international trust entity, international trust company representative office, qualified limited service affiliate, credit union, or an agreement corporation operating pursuant to s. 25 of the Federal Reserve Act, 12 U.S.C. ss. 601 et seq. or Edge Act corporation organized pursuant to s. 25(a) of the Federal Reserve Act, 12 U.S.C. ss. 611 et seq. Section 655.005(1)(i), F.S.

<sup>48</sup> Section 655.057(2), F.S.

<sup>49</sup> Section 655.057(13)(b), F.S., defines "informal enforcement actions" as a board resolution, a document of resolution, or an agreement in writing between the office and a financial institution which meets certain criteria.

<sup>50</sup> Section 655.057(3), F.S.

<sup>51</sup> Section 688.002(4), F.S., defines "trade secrets" as information, including a formula, pattern, compilation, program, device, method, technique, or process that meets specified criteria. The trade secret must also comply with s. 655.0591, F.S.

<sup>52</sup> Section 655.057(4), F.S.

<sup>53</sup> Section 655.057(9), F.S.

<sup>54</sup> Section 655.057(10), F.S.

<sup>55</sup> Section 655.057(14), F.S. A third degree felony is punishable by up to five years imprisonment and up to a \$5,000 fine. Sections 775.082, 775.083, and 775.084, F.S.

<sup>56</sup> Section 657.002(4), F.S. defines "credit union" as any cooperative society organized pursuant to ch. 657, F.S.

- Disclosing or publishing summaries of the economic condition or similar data of financial institutions;
- Reporting any suspicious criminal activity to appropriate law enforcement or prosecutorial agencies;
- Furnishing certain information requested by the Chief Financial Officer or specified agency of any financial institution that is, or has applied to be, designated as a qualified public depository; and
- Furnishing information to Federal Home Loan Banks regarding its member institutions.<sup>57</sup>

Orders to produce confidential records or information issued by courts or administrative law judges must provide for inspection in camera by the court or administrative law judge. Other procedural safeguards are provided for in the Financial Institutions Codes to protect the confidentiality of the records or information, including provisions that an order directing the release of information is reviewable by the office.<sup>58</sup>

### *Cybersecurity*

There are federal standards for protecting customer information and Florida consumer protection laws for data security; however, there are no cybersecurity regulations under the financial services provisions. The Department of Legal Affairs (DLA) is responsible for enforcing a violation and may disclose information to office relating to a covered entity's<sup>59</sup> violation of data security requirements of confidential personal information under consumer protection laws but the office has no regulatory authority to enforce any violation of the data security provisions in the consumer protection laws.<sup>60</sup>

### Federal Standards for Safeguarding Customer Information

Financial institutions<sup>61</sup> that are subject to the Federal Trade Commission's (FTC) jurisdiction are regulated under the Federal Standards for Safeguarding Customer Information (Safeguard Rules).<sup>62</sup> The Safeguard Rules do not apply to financial institutions that maintain customer

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<sup>57</sup> Section 655.057(6), F.S.

<sup>58</sup> Section 655.057(7), F.S.

<sup>59</sup> Section 501.171(1)(b), F.S., defines "covered entity" as a sole proprietorship, partnership, corporation, trust, estate, cooperative, association, or other commercial entity that acquires, maintains, stores, or uses personal information. The term also includes governmental entities with respect to certain notice requirements.

<sup>60</sup> Section 501.171(9)(a), F.S.

<sup>61</sup> 16 C.F.R. 314.2 defines "financial institution" as any institution the business of which is engaging in activity that is financial in nature or incidental to such financial activities as described in section 4(k) of the Bank Holding Company Act of 1956, 12 U.S.C. 1843(k). An institution that is significantly engaged in financial activities, or significantly engaged in activities incidental to such financial activities, is a financial institution.

<sup>62</sup> 16 C.F.R. 314.1(b).

information<sup>63</sup> for fewer than 5,000 customers.<sup>64,65</sup> Financial institutions subject to the Safeguard Rules are required to develop, implement, and maintain a comprehensive written information security program<sup>66</sup> that must be tailored to the size and complexity of the institution's system and activities, and must meet other specified criteria and elements,<sup>67</sup> such as basing the system on a risk assessment that identifies certain factors, evaluating and adjusting the program following the testing and monitoring results, and establishing a written incident response plan.<sup>68</sup> A financial institution must notify the FTC of a notification event<sup>69</sup> that involves information of at least 5,000 consumers.<sup>70</sup>

### Florida Security of Confidential Personal Information

Section 501.171, F.S., provides covered entities, governmental entities, and third-party agents are required to take reasonable measures to protect and secure electronic data containing personal

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<sup>63</sup> 16 C.F.R. 314.2(d) defines "customer information" as any record containing nonpublic personal information about a customer of a financial institution, whether in paper, electronic, or other form, that is handled or maintained by or on behalf of a financial institution or a financial institution's affiliates. 16 C.F.R. 314.2(l) defines (1) "nonpublic personal information" as (i) Personally identifiable financial information; and (ii) Any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable financial information that is not publicly available. (2) Nonpublic personal information does not include: (i) Publicly available information; or (ii) Any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived without using any personally identifiable financial information that is not publicly available. 16 C.F.R. 314.2(b)(1) defines "consumer" as an individual who obtains or has obtained a financial product or service from a financial institution that is to be used primarily for personal, family, or household purposes, or that individual's legal representative.

<sup>64</sup> 16 C.F.R. 314.2(c) defines "customer" as a consumer who has a customer relationship with a financial institution. 16 C.F.R. 314.2(e)(1) defines "customer relationship" as a continuing relationship between a consumer and a financial institution under which the financial institution provides one or more financial products or services to the consumer that are to be used primarily for personal, family, or household purposes. 16 C.F.R. 314.2(g)(1) defines "financial product or service" as any product or service that a financial holding company could offer by engaging in a financial activity under section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)).

<sup>65</sup> 16 C.F.R. 314.6.

<sup>66</sup> 16 C.F.R. 314.2(i) defines "information security program" as the administrative, technical, or physical safeguards a financial institution uses to access, collect, distribute, process, protect, store, use, transmit, dispose of, or otherwise handle customer information.

<sup>67</sup> 16 C.F.R. 314.3(a).

<sup>68</sup> 16 C.F.R. 314.4.

<sup>69</sup> 16 C.F.R. 314.2(m) defines "notification event" as acquisition of unencrypted customer information without the authorization of the individual to which the information pertains. Customer information is considered encrypted for this purpose if the encryption key was accessed by an unauthorized person. Unauthorized acquisition will be presumed to include unauthorized access to unencrypted customer information unless the financial institution has reliable evidence showing that there has not been, or could not reasonably have been, unauthorized acquisition of such information.

<sup>70</sup> 16 C.F.R. 314.4(j)(1).

information.<sup>71,72</sup> When the security of a data system is breached, a covered entity must provide notice to the Department of Legal Affairs (DLA), affected individuals, and credit reporting agencies in certain circumstances.<sup>73</sup> A covered entity that fails to provide the required notices may face civil penalties.<sup>74</sup>

#### *Notice to the Department of Legal Affairs*

Covered entities must provide written notice of any breach of security that affects 500 or more Floridians to the DLA within 30 days after the determination of the breach or a reason to believe a breach occurred.<sup>75</sup> The notice may be delayed an additional 15 days for good cause, if certain conditions are met.<sup>76</sup> The notice must include specified information.<sup>77</sup> A covered entity must also provide certain information upon request of the DLA,<sup>78</sup> and may provide any other information regarding the breach to the DLA at any time to supplement the required information.<sup>79</sup>

#### *Notice to Individuals*

A covered entity must provide notice to each individual in Florida whose personal information was, or is reasonably believed to have been, accessed as a result of a breach. Notice must be provided as quickly as possible, taking into account the time needed to determine the scope of

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<sup>71</sup> Section 501.171(1)(g), F.S., defines 1. “personal information” as a. An individual’s first name or first initial and last name in combination with one of the following: (I) A social security number; (II) A driver license or identification card number, passport number, military identification number, or other number issued by a governmental entity used to verify identity; (III) A financial account number or credit or debit card number, in combination with any required security code, access code, or password needed to permit access to the financial account; (IV) An individual’s medical history, mental or physical condition, or medical treatment or diagnosis; (V) An individual’s health insurance policy number or subscriber identification number and any unique identifier used by a health insurer; (VI) An individual’s biometric data; or (VII) Any information regarding an individual’s geolocation. b. A user name or e-mail address, in combination with a password or security question and answer is also considered “personal information.” 2. Information that is publicly available from a federal, state, or local governmental entity or information that is encrypted, secured, or modified by a method or technology that removes personally identifiable information is not considered “personal information.” Section 501.702(4), F.S., defines “biometric data” as data generated by automatic measurements of an individual’s biological characteristics. The term includes fingerprints, voiceprints, eye retinas or irises, or other unique biological patterns or characteristics used to identify a specific individual. The term does not include physical or digital photographs; video or audio recordings or data generated from video or audio recordings; or information collected, used, or stored for health care treatment, payment, or operations under the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. ss. 1320d et seq.

<sup>72</sup> Section 501.171(2), F.S.

<sup>73</sup> Section 501.171(3) - (5), F.S.

<sup>74</sup> Section 501.171(9), F.S.

<sup>75</sup> Section 501.171(3)(a), F.S.

<sup>76</sup> *Id.*

<sup>77</sup> Section 501.171(3)(b), F.S. (providing the information that must be included is: 1. A synopsis of the events surrounding the breach at the time the notice is provided; 2. The number of individuals in this state who were or potentially have been affected by the breach; 3. Any services related to the breach being offered or scheduled to be offered by the covered entity to individuals, without charge, and instructions as to how to use such services; 4. A copy of the notice sent to individuals affected or potentially affected by the breach or an explanation of other actions being taken, such as a delay in notification at the request of law enforcement, a determination that the breach was unlikely to cause harm, or notice provided in compliance with federal law; and 5. The name, address, telephone number, and e-mail address of the employee of the covered entity from whom additional information may be obtained about the breach).

<sup>78</sup> Section 501.171(3)(c), F.S. (providing the information that must be provided is: 1. A police report, incident report, or computer forensics report; 2. A copy of the policies in place regarding breaches; and 3. Any steps taken by the covered entity to rectify the breach).

<sup>79</sup> Section 501.171(3)(d), F.S.

the breach of security, to identify affected individuals, and to restore reasonable integrity of the data system that was breached. However, notice must be provided within 30 days of determination of the breach or reason to believe a breach occurred unless specified exceptions apply.<sup>80</sup> The notice must be sent to the individual's mailing address or e-mail address and must include specified information.<sup>81</sup>

This notice may be substituted in lieu of direct notice to the individual if the cost of providing notice will exceed \$250,000, the number of affected individuals exceeds 500,000, or the covered entity does not have an e-mail address or mailing address for the affected individuals.<sup>82</sup> The substitute notice must include a conspicuous notice on the Internet website of the covered entity, if the entity maintains a website, and notice in print and broadcast media, including major media in urban and rural areas where the affected individuals reside.<sup>83</sup>

#### *Notice to Credit Reporting Agencies*

If a breach requires more than 1,000 individuals to be notified at a single time, the covered entity must also notify all consumer reporting agencies that compile and maintain files on a nationwide basis of the timing, distribution, and content of the notices.<sup>84</sup>

#### **Committee Substitute for Senate Bill 540**

Committee Substitute for Senate Bill 540 (2026) regulates information security programs and cybersecurity event investigations of mortgage brokers and lenders, and money services businesses substantially similar to the Safeguard Rules. The bill provides that covered entities are not relieved from complying with Florida Security of Confidential Personal Information under consumer protection laws in s. 501.171, F.S., and any licensee that is a covered entity under that chapter remains subject to the requirements of that section. The bill authorizes the Financial Services Commission (the "commission") to adopt rules that allow a licensee that is in full compliance with the Safeguard Rules to be deemed in compliance with information security program requirements.

Committee Substitute for Senate Bill 540 (2026) requires each financial institution to take reasonable measures to protect and secure data that are in electronic form and that contain personal information. The legislation is substantially similar to the Florida Security of Confidential Personal Information in ch. 501, F.S., consumer protection laws.

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

SB 1440, which is linked to the passage of SB 540, makes confidential and exempt from public records disclosure certain information related to mortgage businesses, money services

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<sup>80</sup> Section 501.171(4)(a), F.S.

<sup>81</sup> Section 501.171(4)(d) and (e), F.S. (providing the notice must include: 1. The date, estimated date, or estimated date range of the breach of security; 2. A description of the personal information that was accessed or reasonably believed to have been accessed as a part of the breach of security; and 3. Information that the individual can use to contact the covered entity about the breach of security and the individual's personal information maintained by the covered entity).

<sup>82</sup> Section 501.171(4)(f), F.S.

<sup>83</sup> *Id.*

<sup>84</sup> Section 501.171(5), F.S.

businesses, and financial institutions. The bill provides the public records exemptions are subject to the required Act and are repealed unless reviewed and reenacted by the Legislature. Public necessity statements for each public records exemption are included in the bill.

**Section 1** makes confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution (together, the “public record disclosure requirements”) all mortgage broker information received by the Office of Financial Regulation (OFR or office) regarding information security as required in ch. 560, F.S., and established in SB 540 (2026), or received by the office as result of an investigation by the office or a law enforcement agency of a cybersecurity event, until such time as the investigation is completed or ceases to be active. The public records exemption of the information received by the office must be construed in conformity with the public records exemption for criminal intelligence and investigation information in the Public Records Act.<sup>85</sup> The exemption is subject to the Open Government Sunset Review Act and is repealed on October 2, 2031, unless reviewed and reenacted by the Legislature before that date.

**Section 2** provides the following public necessity statement for the public records exemption in Section 1 of the bill:

The Legislature finds that it is a public necessity that information on cybersecurity events submitted to or obtained by the Office of Financial Regulation [as required in ch. 494, F.S., and established in SB 540 (2026),] or as a result of an investigation by the office which involve information security programs of loan originators, mortgage brokers, and mortgage lenders and nonpublic personal data of customers of such loan originators, mortgage brokers, and mortgage lenders be made confidential and exempt [from public records disclosure requirements.]

Premature or unrestricted release of information on cybersecurity events<sup>86</sup>...could compromise ongoing investigations, expose system vulnerabilities, and hinder the office’s ability to protect consumers and regulate financial institutions effectively. Disclosure of such information could also place affected individuals at heightened risk of identity theft and financial fraud while revealing trade secrets, proprietary data, and technical safeguards that could be exploited by malicious actors.

Protecting information on cybersecurity events ensures that entities cooperate fully with regulators, encourages accurate reporting of security incidents, and maintains the overall integrity of the financial and cybersecurity infrastructure of this state.

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<sup>85</sup> Section 119.071(2)(c), F.S.; *See supra* notes 27 through 29.

<sup>86</sup> Section 494.00123(1)(c), F.S., created in SB 540 (2026), defines “cybersecurity event” as an event resulting in unauthorized access to, or disruption or misuse of, an information system, information stored on such information system, or customer information held in physical form.

It is therefore a public necessity that all information received by the office pursuant to s. 494.00123, Florida Statutes,<sup>87</sup> or through an investigation by the office or a law enforcement agency of a cybersecurity event pursuant to s. 494.00123, Florida Statutes, be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the Florida Constitution.

**Section 3** creates a public records exemption for all information received by the Office of Financial Regulation (OFR or office) as required in ch. 560, F.S., and established in SB 540 (2026), or as a result of an investigation by the office or a law enforcement agency is confidential and exempt from [public records disclosure requirements], until such time as the investigation is completed or ceases to be active. The public records exemption must be construed in conformity with the public records exemption for criminal intelligence and investigation information in the Public Records Act.<sup>88</sup> The exemption is subject to the Open Government Sunset Review Act and is repealed on October 2, 2031, unless reviewed and reenacted by the Legislature before that date.

**Section 4** provides for the following public necessity statement for the public records exemption in section 3:

The Legislature finds that it is a public necessity that information related to cybersecurity incidents, data breaches, and information security programs submitted to or obtained by the Office of Financial Regulation be made confidential and exempt from public disclosure. Premature or unrestricted release of such information could compromise ongoing investigations, expose system vulnerabilities, and hinder the office's ability to protect consumers and regulate money services businesses effectively. Disclosure could also place affected individuals at heightened risk of identity theft and financial fraud while revealing trade secrets, proprietary data, and technical safeguards that could be exploited by malicious actors. Protecting this information ensures that entities cooperate fully with regulators, encourages accurate reporting of security incidents, and maintains the overall integrity of this state's financial and cybersecurity infrastructure.

**Section 5** makes confidential and exempt from public records disclosure requirements all information received by the office as required in ch. 655, F.S., and established in SB 540 (2026), or received by the office pursuant to an investigation by the office or a law enforcement agency as provided in ch. 655, F.S., and established in SB 540 (2026), is confidential and exempt from [public records disclosure requirements] until such time as the investigation is completed or ceases to be active. This exemption shall be construed in conformity with the public records exemption for criminal intelligence and investigation information in the Public Records Act.<sup>89</sup>

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<sup>87</sup> Section 494.00123, F.S., is created in SB 540 (2026).

<sup>88</sup> Section 119.071(2)(c), F.S.; *See supra* notes 27 - 29.

<sup>89</sup> Section 119.071(2)(c), F.S.; *See supra* notes 27 through 29.

During an active investigation, information made confidential and exempt in Section 5 of the bill may be disclosed by the office:

- In the furtherance of its official duties and responsibilities;
- For print, publication, or broadcast if the office determines that such release would assist in notifying the public or locating or identifying a person that the office believes to be a victim of a data breach or improper disposal of customer records, except for information made confidential and exempt even after the investigation is completed or ceases to be active as provided in section 5 of the bill; or
- To another governmental entity in the furtherance of its official duties and responsibilities.

The following information received by the office remains confidential and exempt from public records disclosure requirements upon completion of an investigation or once an investigation ceases to be active:

- All information to which another public records exemption applies.
- Personal information.
- A computer forensic report.
- Information that would otherwise reveal weaknesses in a financial institution's data security.
- Information that would disclose a financial institution's proprietary information.

The bill defines "proprietary information" to mean information that:

- Is owned or controlled by the financial institution.
- Is intended to be private and is treated by the financial institution as private because disclosure would harm the financial institution or its business operations.
- Has not been disclosed except as required by law or a private agreement that provides that the information will not be released to the public.
- Is not publicly available or otherwise readily ascertainable through proper means from another source in the same configuration as received by the office.

The term "proprietary information" includes trade secrets,<sup>90</sup> and competitive interests, the disclosure of which would impair the competitive business of the financial institution that is the subject of the information.

The bill defines "customer records" to mean any material, regardless of the physical form, on which personal information is recorded or preserved by any means, such as written or spoken words, graphically depicted, printed, or electromagnetically transmitted which are provided by an individual in this state to a financial institution for the purpose of purchasing or leasing a product or obtaining a service.

Section 5 is subject to the Open Government Sunset Review and is repealed on October 2, 2031, unless reviewed and reenacted by the Legislature before that date.

**Section 6** provides for the following public necessity statement for the public records exemption in Section 5:

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<sup>90</sup> *Supra* note 42.

The Legislature finds that it is a public necessity that all information received by the Office of Financial Regulation pursuant to a notification of a violation of s. 655.0171, Florida Statutes [as established in SB 540], or received by the Department of Legal Affairs pursuant to an investigation by the department or a law enforcement agency relating to a violation of s. 655.0171, Florida Statutes, be made confidential and exempt from public records disclosure requirements for the following reasons:

A notification of a violation of s. 655.0171, Florida Statutes, is likely to result in an investigation. The premature release of such information could frustrate or thwart the investigation and impair the ability of the office to effectively and efficiently administer s. 655.0171, Florida Statutes. In addition, release of such information before completion of an active investigation could jeopardize the ongoing investigation.

The Legislature finds that it is a public necessity to continue to protect from public disclosure all information to which another public record exemption applies once an investigation is completed or ceases to be active. Release of such information by the office would undo the specific statutory exemption protecting that information.

An investigation of a data breach or improper disposal of customer records is likely to result in the gathering of sensitive personal information, including social security numbers, identification numbers, and personal financial information of customers of financial institutions. Such information could be used for the purpose of identity theft, and release of such information could subject possible victims of the data breach or improper disposal of customer records to further financial harm.

Release of a computer forensic report or other information that would otherwise reveal weaknesses in a covered financial institution's data security could compromise the future security of that financial institution, or other financial institutions, if such information were available upon conclusion of an investigation or once an investigation ceased to be active. The release of such report or information could compromise the security of current financial institutions and make those financial institutions susceptible to future data breaches. Release of such report or information could result in the identification of vulnerabilities and further breaches of that system.

Notices received by the office and information received during an investigation of a data breach are likely to contain proprietary information, including trade secrets, about the security of the breached system. The release of the proprietary information could result in the identification of vulnerabilities and further breaches of that system. In addition, a trade secret derives independent, economic value, actual or potential, from being generally unknown to, and not readily ascertainable by, other persons.

Allowing public access to proprietary information, including a trade secret, through a public records request could destroy the value of the proprietary information and cause a financial loss to the financial institution submitting the information. Release of such information could give business competitors an unfair advantage and weaken the position of the financial institution supplying the proprietary information in the marketplace.

**Section 7** provides the following information received by the office pursuant to an application for authority to organize a new state credit union (the “credit union exemption”) is confidential and exempt from public records disclosure requirements:

- Personal financial information.
- A driver license number, a passport number, a military identification number, or any other number or code issued on a government document used to verify identity.
- Books and records of a current or proposed financial institution.
- The proposed credit union’s proposed business plan.

The personal identifying information of a proposed officer or proposed director who is currently employed by, or actively participates in the affairs of, another financial institution received by the office in an application for authority to organize a new state credit union under ch. 667, F.S., is exempt from public records disclosure requirements until the application is approved and the charter is issued. The term “personal identifying information” includes names, home addresses, e-mail addresses, telephone numbers, names of relatives, work experience, professional licensing and educational backgrounds, and photographs.

Section 7 is subject to the Open Government Sunset Review Act and is repealed on October 2, 2029, unless reviewed and reenacted by the Legislature before that date. While the repeal date is typically five years from enactment of an exemption, the repeal date for the credit union exemption is three years, so that it remains consistent with the repeal dates of other exemptions currently in s. 655.057(5), F.S.

**Section 8** provides the following public necessity statement for the public records exemption in Section 7:

The Legislature finds that it is a public necessity that information received by the Office of Financial Regulation pursuant to an application for authority to organize a new state credit union pursuant to the Financial Institutions Codes, chapters 655-667, Florida Statutes, be made confidential and exempt from [public records disclosure requirements] to the extent that disclosure would reveal:

- Personal financial information;
- A driver license number, a passport number, a military identification number, or any other number or code issued on a government document used to verify identity;
- Books and records of a current or proposed financial institution; or
- A proposed credit union’s business plan and any attached supporting documentation.

The Legislature further finds that it is a public necessity that the personal identifying information of a proposed officer or proposed director who is currently employed by, or actively participates in the affairs of, another financial institution be made confidential and exempt from [public records disclosure requirements] for the duration of the application process, until the application is approved and a charter is issued.

The office may receive sensitive personal, financial, and business information in conjunction with its duties related to the review of applications for the organization or establishment of new state credit union. The exemptions from public records requirements ... are necessary to ensure the office's ability to administer its regulatory duties while preventing unwarranted damage to the proposed new state credit union or certain proposed officers or proposed directors of new state credit unions in this state. The release of information that could lead to the identification of an individual involved in the potential establishment of a new state credit union may subject such individual to retribution and jeopardize his or her current employment with, or participation in the affairs of, another financial institution. Thus, the public availability of such information has a chilling effect on the establishment of new state credit union. Further, the public availability of the books and financial records of a current or proposed state credit union presents an unnecessary risk of harm to the business operations of such credit union. Finally, the public availability of a proposed state credit union's business plan may cause competitive harm to its future business operations and presents an unfair competitive advantage for existing state credit unions that are not required to release such information.

**Section 9** provides an effective date on the same date that SB 540 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

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

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

Not applicable. The mandate restrictions do not apply because the bill does not require counties and municipalities to spend funds, reduce counties' or municipalities' ability to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

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

###### ***Vote Requirement***

Article I, s. 24(c) of the Florida Constitution requires a two-thirds vote of the members present and voting for final passage of a bill creating or expanding an exemption to the public records requirements. SB 1440 enacts a new exemption for specified public

records relating to mortgage businesses, money services businesses, and financial institutions such as information relating to the cybersecurity requirements proposed in SB 540, investigations conducted by office, and information contained in a credit union's application for formation. Therefore, the bill will require two-thirds vote to be enacted.

***Public Necessity Statement***

Article I, s. 24(c) of the Florida Constitution requires the law state with specificity the public necessity to justify a new or substantially amended exemption. Sections 2, 4, 6, and 8 of the bill contain statements of public necessity for the exemptions.

***Scope of Exemption***

Article I, s. 24(c) of the Florida Constitution requires an exemption to the public records requirements to be no broader than necessary to accomplish the stated purpose of the law. The exemptions in the bill relating to information security and cybersecurity investigations do not appear to be broader than necessary to accomplish the purpose of the law. The exemptions reduce potential interference with investigations, and the office's ability to protect consumers and regulate financial institutions. The exemptions safeguard against the risk of potential identity theft, financial fraud, and trade secret exploitation. The exemptions help ensure that entities cooperate with regulators, encourage accurate reporting, and maintain overall integrity of the financial and cybersecurity infrastructure.

The credit union exemption in the bill does not appear to be broader than necessary to accomplish the purpose of the law. The bill provides that specific information would be made confidential and exempt to prevent unwarranted damage or unnecessary risk of harm to the proposed new credit union, or the proposed officer or director.

**C. Trust Funds Restrictions:**

None.

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

None.

**E. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The private sector will be subject to the cost, to the extent imposed, associated with redactions made in response to a public record request.

Those individuals or businesses that wish to protect trade secret information submitted to the office as part of their application to organize a new state credit union may no longer be required to use court processes to declare the information trade secret, and thus exempt from production as a public record.<sup>91</sup> The submitter will be able to rely on the public record exemption for specific information instead.

**C. Government Sector Impact:**

The bill does not impact state revenues or expenditures. The bill does not appear to have a fiscal impact on local government. Staff responsible for compliance with public record requests may require training related to the new public record exemptions. Additionally, the Office of Financial Regulation (office) may experience additional workload associated with the redaction of exempt information prior to the release of a record. However, this workload should be absorbed as part of the day-to-day agency responsibilities and offset by fees collected for the preparation and copying of public records.<sup>92</sup>

The office reports that “the lack of protection for this sensitive information in Florida may influence an applicant to choose a national charter over a state charter.” The new public records exemption may cause an increase in the number of applications for new state banks or state trust companies that the office receives.<sup>93</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 494.00125, 560.129, 655.0171, and 655.057

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<sup>91</sup> See s. 655.0591, F.S.

<sup>92</sup> Section 119.07(2) and (4), F.S.

<sup>93</sup> Florida Office of Financial Regulation, *2026 Agency Legislative Bill Analysis for SB 1014*, (Jan. 21, 2026), p. 4, (on file with the Senate Committee on Banking and Insurance).

**IX. Additional Information:**

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

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

- Removes the new public records exemption for certain information in an application to organize a financial institution and instead expands an existing provision in current law that exempts such information for some financial institutions to apply to such information contained in an application to organize a new state credit union.
- Updates the public necessity statement to apply to new state credit unions.

- B. **Amendments:**

None.

By the Committee on Banking and Insurance; and Senator Martin

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1 A bill to be entitled  
 2 An act relating to public records; amending s.  
 3 494.00125, F.S.; providing an exemption from public  
 4 records requirements for information received by the  
 5 Office of Financial Regulation pursuant to certain  
 6 cybersecurity event provisions relating to information  
 7 systems and customer information of loan originators,  
 8 mortgage brokers, and mortgage lenders and for  
 9 information received by the office as a result of  
 10 investigations and examinations of such cybersecurity  
 11 events; providing for future legislative review and  
 12 repeal of the exemption; providing a statement of  
 13 public necessity; amending s. 560.129, F.S.; providing  
 14 an exemption from public records requirements for  
 15 information received by the office pursuant to certain  
 16 cybersecurity event provisions relating to information  
 17 systems and customer information of money services  
 18 businesses and for information received by the office  
 19 as a result of investigations and examinations of such  
 20 cybersecurity events; providing for future legislative  
 21 review and repeal of the exemption; providing a  
 22 statement of public necessity; amending s. 655.0171,  
 23 F.S.; providing an exemption from public records  
 24 requirements for customer personal information  
 25 received by the office relating to breaches of  
 26 security of financial institutions or received by the  
 27 office as a result of investigations of such breaches  
 28 under certain circumstances; providing exceptions;  
 29 providing definitions; providing for future

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30 legislative review and repeal of the exemption;  
 31 providing a statement of public necessity; amending s.  
 32 655.057, F.S.; providing an exemption from public  
 33 records requirements for certain information received  
 34 by the office pursuant to applications for authority  
 35 to organize new state credit unions and for certain  
 36 information relating to specified persons; providing  
 37 exceptions; defining the term "personal identifying  
 38 information"; providing for future legislative review  
 39 and repeal of the exemption; providing a statement of  
 40 public necessity; providing a contingent effective  
 41 date.  
 42  
 43 Be It Enacted by the Legislature of the State of Florida:  
 44  
 45 Section 1. Subsection (4) is added to section 494.00125,  
 46 Florida Statutes, to read:  
 47 494.00125 Public records exemptions.—  
 48 (4) INFORMATION SECURITY; CYBERSECURITY.—All information  
 49 received by the office pursuant to s. 494.00123, or received by  
 50 the office as result of an investigation by the office or a law  
 51 enforcement agency of a cybersecurity event pursuant to s.  
 52 494.00123, is confidential and exempt from s. 119.07(1) and s.  
 53 24(a), Art. I of the State Constitution, until such time as the  
 54 investigation is completed or ceases to be active. The public  
 55 records exemption of the information received by the office  
 56 under this subsection shall be construed in conformity with s.  
 57 119.071(2)(c). This subsection is subject to the Open Government  
 58 Sunset Review Act in accordance with s. 119.15 and shall stand

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59 repealed on October 2, 2031, unless reviewed and saved from  
 60 repeal through reenactment by the Legislature.

61 Section 2. (1) The Legislature finds that it is a public  
 62 necessity that information on cybersecurity events submitted to  
 63 or obtained by the Office of Financial Regulation pursuant to s.  
 64 494.00123, Florida Statutes, or as a result of an investigation  
 65 by the office which involve information security programs of  
 66 loan originators, mortgage brokers, and mortgage lenders and  
 67 nonpublic personal data of customers of such loan originators,  
 68 mortgage brokers, and mortgage lenders be made confidential and  
 69 exempt from public disclosure.

70 (2)(a) Premature or unrestricted release of information on  
 71 cybersecurity events, as defined in s. 494.00123(1), Florida  
 72 Statutes, could compromise ongoing investigations, expose system  
 73 vulnerabilities, and hinder the office's ability to protect  
 74 consumers and regulate financial institutions effectively.  
 75 Disclosure of such information could also place affected  
 76 individuals at heightened risk of identity theft and financial  
 77 fraud while revealing trade secrets, proprietary data, and  
 78 technical safeguards that could be exploited by malicious  
 79 actors.

80 (b) Protecting information on cybersecurity events ensures  
 81 that entities cooperate fully with regulators, encourages  
 82 accurate reporting of security incidents, and maintains the  
 83 overall integrity of the financial and cybersecurity  
 84 infrastructure of this state.

85 (3) It is therefore a public necessity that all information  
 86 received by the office pursuant to s. 494.00123, Florida  
 87 Statutes, or through an investigation by the office or a law

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88 enforcement agency of a cybersecurity event pursuant to s.  
 89 494.00123, Florida Statutes, be made confidential and exempt  
 90 from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of  
 91 the State Constitution.

92 Section 3. Subsection (7) of section 560.129, Florida  
 93 Statutes, is renumbered as subsection (8), and a new subsection  
 94 (7) is added to that section, to read:

95 560.129 Confidentiality.—

96 (7) All information received by the office pursuant to s.  
 97 560.1311 or as a result of an investigation by the office or a  
 98 law enforcement agency is confidential and exempt from s.  
 99 119.07(1) and s. 24(a), Art. I of the State Constitution, until  
 100 such time as the investigation is completed or ceases to be  
 101 active. This exemption shall be construed in conformity with s.  
 102 119.071(2)(c). This subsection is subject to the Open Government  
 103 Sunset Review Act in accordance with s. 119.15 and shall stand  
 104 repealed on October 2, 2031, unless reviewed and saved from  
 105 repeal through reenactment by the Legislature.

106 Section 4. The Legislature finds that it is a public  
 107 necessity that information related to cybersecurity incidents,  
 108 data breaches, and information security programs submitted to or  
 109 obtained by the Office of Financial Regulation be made  
 110 confidential and exempt from public disclosure. Premature or  
 111 unrestricted release of such information could compromise  
 112 ongoing investigations, expose system vulnerabilities, and  
 113 hinder the office's ability to protect consumers and regulate  
 114 money services businesses effectively. Disclosure could also  
 115 place affected individuals at heightened risk of identity theft  
 116 and financial fraud while revealing trade secrets, proprietary

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117 data, and technical safeguards that could be exploited by  
 118 malicious actors. Protecting this information ensures that  
 119 entities cooperate fully with regulators, encourages accurate  
 120 reporting of security incidents, and maintains the overall  
 121 integrity of this state's financial and cybersecurity  
 122 infrastructure.

123 Section 5. Subsection (6) is added to section 655.0171,  
 124 Florida Statutes, as created by SB 540, 2026 Regular Session, to  
 125 read:

126 655.0171 Requirements for customer data security and for  
 127 notices of security breaches.—

128 (6) PUBLIC RECORDS EXEMPTION.—

129 (a) All information received by the office pursuant to a  
 130 notification required by this section, or received by the office  
 131 pursuant to an investigation by the office or a law enforcement  
 132 agency under this section, is confidential and exempt from s.  
 133 119.07(1) and s. 24(a), Art. I of the State Constitution, until  
 134 such time as the investigation is completed or ceases to be  
 135 active. This exemption shall be construed in conformity with s.  
 136 119.071(2)(c).

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

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

142 2. For print, publication, or broadcast if the office  
 143 determines that such release would assist in notifying the  
 144 public or locating or identifying a person that the office  
 145 believes to be a victim of a data breach or improper disposal of

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146 customer records, except that information made confidential and  
 147 exempt by paragraph (c) may not be released pursuant to this  
 148 subparagraph; or

149 3. To another governmental entity in the furtherance of its  
 150 official duties and responsibilities.

151 (c) Upon completion of an investigation or once an  
 152 investigation ceases to be active, the following information  
 153 received by the office remains confidential and exempt from s.  
 154 119.07(1) and s. 24(a), Art. I of the State Constitution:

155 1. All information to which another public records  
 156 exemption applies.

157 2. Personal information.

158 3. A computer forensic report.

159 4. Information that would otherwise reveal weaknesses in a  
 160 financial institution's data security.

161 5. Information that would disclose a financial  
 162 institution's proprietary information.

163 a. As used in this subparagraph, the term "proprietary  
 164 information" means information that:

165 (I) Is owned or controlled by the financial institution.

166 (II) Is intended to be private and is treated by the  
 167 financial institution as private because disclosure would harm  
 168 the financial institution or its business operations.

169 (III) Has not been disclosed except as required by law or a  
 170 private agreement that provides that the information will not be  
 171 released to the public.

172 (IV) Is not publicly available or otherwise readily  
 173 ascertainable through proper means from another source in the  
 174 same configuration as received by the office.

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175 b. The term includes:

176 (I) Trade secrets as defined in s. 688.002.

177 (II) Competitive interests, the disclosure of which would  
 178 impair the competitive business of the financial institution  
 179 that is the subject of the information.

180 (d) As used in this subsection, the term "customer records"  
 181 means any material, regardless of the physical form, on which  
 182 personal information is recorded or preserved by any means,  
 183 including, but not limited to, written or spoken words,  
 184 graphically depicted, printed, or electromagnetically  
 185 transmitted which are provided by an individual in this state to  
 186 a financial institution for the purpose of purchasing or leasing  
 187 a product or obtaining a service.

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

192 Section 6. The Legislature finds that it is a public  
 193 necessity that all information received by the Office of  
 194 Financial Regulation pursuant to a notification of a violation  
 195 of s. 655.0171, Florida Statutes, or received by the Department  
 196 of Legal Affairs pursuant to an investigation by the department  
 197 or a law enforcement agency relating to a violation of s.  
 198 655.0171, Florida Statutes, be made confidential and exempt from  
 199 s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the  
 200 State Constitution for the following reasons:

201 (1) A notification of a violation of s. 655.0171, Florida  
 202 Statutes, is likely to result in an investigation. The premature  
 203 release of such information could frustrate or thwart the

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204 investigation and impair the ability of the office to  
 205 effectively and efficiently administer s. 655.0171, Florida  
 206 Statutes. In addition, release of such information before  
 207 completion of an active investigation could jeopardize the  
 208 ongoing investigation.

209 (2) The Legislature finds that it is a public necessity to  
 210 continue to protect from public disclosure all information to  
 211 which another public record exemption applies once an  
 212 investigation is completed or ceases to be active. Release of  
 213 such information by the office would undo the specific statutory  
 214 exemption protecting that information.

215 (3) An investigation of a data breach or improper disposal  
 216 of customer records is likely to result in the gathering of  
 217 sensitive personal information, including social security  
 218 numbers, identification numbers, and personal financial  
 219 information of customers of financial institutions. Such  
 220 information could be used for the purpose of identity theft, and  
 221 release of such information could subject possible victims of  
 222 the data breach or improper disposal of customer records to  
 223 further financial harm.

224 (4) Release of a computer forensic report or other  
 225 information that would otherwise reveal weaknesses in a covered  
 226 financial institution's data security could compromise the  
 227 future security of that financial institution, or other  
 228 financial institutions, if such information were available upon  
 229 conclusion of an investigation or once an investigation ceased  
 230 to be active. The release of such report or information could  
 231 compromise the security of current financial institutions and  
 232 make those financial institutions susceptible to future data

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233 breaches. Release of such report or information could result in  
 234 the identification of vulnerabilities and further breaches of  
 235 that system.

236 (5) Notices received by the office and information received  
 237 during an investigation of a data breach are likely to contain  
 238 proprietary information, including trade secrets, about the  
 239 security of the breached system. The release of the proprietary  
 240 information could result in the identification of  
 241 vulnerabilities and further breaches of that system. In  
 242 addition, a trade secret derives independent, economic value,  
 243 actual or potential, from being generally unknown to, and not  
 244 readily ascertainable by, other persons. Allowing public access  
 245 to proprietary information, including a trade secret, through a  
 246 public records request could destroy the value of the  
 247 proprietary information and cause a financial loss to the  
 248 financial institution submitting the information. Release of  
 249 such information could give business competitors an unfair  
 250 advantage and weaken the position of the financial institution  
 251 supplying the proprietary information in the marketplace.

252 Section 7. Subsection (5) of section 655.057, Florida  
 253 Statutes, is amended to read:

254 655.057 Records; limited restrictions upon public access.—

255 (5) (a) The following information received by the office  
 256 pursuant to an application for authority to organize a new state  
 257 bank or new state trust company under chapter 658, or pursuant  
 258 to an application for authority to organize a new state credit  
 259 union under chapter 657, is confidential and exempt from s.  
 260 119.07(1) and s. 24(a), Art. I of the State Constitution:

261 1. Personal financial information.

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262 2. A driver license number, a passport number, a military  
 263 identification number, or any other number or code issued on a  
 264 government document used to verify identity.

265 3. Books and records of a current or proposed financial  
 266 institution.

267 4. The proposed state bank's, ~~or~~ proposed state trust  
 268 company's, or proposed state credit union's proposed business  
 269 plan.

270 (b) The personal identifying information of a proposed  
 271 officer or proposed director who is currently employed by, or  
 272 actively participates in the affairs of, another financial  
 273 institution received by the office pursuant to an application  
 274 for authority to organize a new state bank or new state trust  
 275 company under chapter 658, or pursuant to an application for  
 276 authority to organize a new state credit union under chapter  
 277 657, is exempt from s. 119.07(1) and s. 24(a), Art. I of the  
 278 State Constitution until the application is approved and the  
 279 charter is issued. As used in this paragraph, the term "personal  
 280 identifying information" means names, home addresses, e-mail  
 281 addresses, telephone numbers, names of relatives, work  
 282 experience, professional licensing and educational backgrounds,  
 283 and photographs.

284 (c) This subsection is subject to the Open Government  
 285 Sunset Review Act in accordance with s. 119.15 and is repealed  
 286 October 2, 2029, unless reviewed and saved from repeal through  
 287 reenactment by the Legislature.

288 Section 8. (1) (a) The Legislature finds that it is a  
 289 public necessity that information received by the Office of  
 290 Financial Regulation pursuant to an application for authority to

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291 organize a new state credit union under chapter 657, Florida  
 292 Statutes, be made confidential and exempt from s. 119.07(1),  
 293 Florida Statutes, and s. 24(a), Article I of the State  
 294 Constitution to the extent that disclosure would reveal:

- 295 1. Personal financial information;
- 296 2. A driver license number, a passport number, a military  
 297 identification number, or any other number or code issued on a  
 298 government document used to verify identity;
- 299 3. Books and records of a current or proposed financial  
 300 institution; or
- 301 4. A proposed new state credit union's business plan and  
 302 any attached supporting documentation.

303 (b) The Legislature further finds that it is a public  
 304 necessity that the personal identifying information of a  
 305 proposed officer or proposed director who is currently employed  
 306 by, or actively participates in the affairs of, another  
 307 financial institution which is received by the office pursuant  
 308 to an application for authority to organize a new state credit  
 309 union under chapter 657, Florida Statutes, be made confidential  
 310 and exempt from s. 119.07(1), Florida Statutes, and s. 24(a),  
 311 Article I of the State Constitution for the duration of the  
 312 application process, until the application is approved and a  
 313 charter is issued.

314 (2) The office may receive sensitive personal, financial,  
 315 and business information in conjunction with its duties related  
 316 to the review of applications for the organization or  
 317 establishment of new state credit unions. The exemptions from  
 318 public records requirements provided under subsection (1) are  
 319 necessary to ensure the office's ability to administer its

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320 regulatory duties while preventing unwarranted damage to the  
 321 proposed state credit unions or certain proposed officers or  
 322 proposed directors of new state credit unions in this state. The  
 323 release of information that could lead to the identification of  
 324 an individual involved in the potential establishment of a new  
 325 state credit union may subject such individual to retribution  
 326 and jeopardize his or her current employment with, or  
 327 participation in the affairs of, another financial institution.  
 328 Thus, the public availability of such information has a chilling  
 329 effect on the establishment of new state credit unions. Further,  
 330 the public availability of the books and financial records of a  
 331 current or proposed state credit union presents an unnecessary  
 332 risk of harm to the business operations of such credit union.  
 333 Finally, the public availability of a proposed state credit  
 334 union's business plan may cause competitive harm to its future  
 335 business operations and presents an unfair competitive advantage  
 336 for existing state credit unions that are not required to  
 337 release such information.

338 Section 9. This act shall take effect on the same date that  
 339 SB 540 or similar legislation takes effect, if such legislation  
 340 is adopted in the same legislative session or an extension  
 341 thereof and becomes a law.

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The Florida Senate

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2/18/26

Meeting Date

1440

Bill Number or Topic

HEG

Committee

Amendment Barcode (if applicable)

Name ASH Mason

Phone

Address

Email

Street

City

State

Zip

Speaking:  For  Against  Information

OR

Waive Speaking:  In Support  Against

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FL Office of Financial Regulation

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S-001 (08/10/2021)

February 18, 2026

The Florida Senate  
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1440

Meeting Date

Ag, Enviro & GG Approps

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Bill Number or Topic

Committee

Name **Barney Bishop**

Amendment Barcode (if applicable)

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**FL**

**32308**

City

State

Zip

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

**PLEASE CHECK ONE OF THE FOLLOWING:**

I am appearing without  
compensation or sponsorship.

I am a registered lobbyist,  
representing:

**Florida Smart Justice Alliance**

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

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

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S-001 (08/10/2021)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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BILL: CS/CS/SB 1568

INTRODUCER: Appropriations Committee on Agriculture, Environment, and General Government and Banking and Insurance Committee and Senator DiCeglie

SUBJECT: Florida Stablecoin Pilot Program

DATE: February 20, 2026      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Moody</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	<u>Fav/CS</u>
3.	_____	_____	<u>RC</u>	_____

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/CS/SB 1568 establishes the Florida Stablecoin Pilot Program (the “program”) which allows the Department of Financial Services (the “Department”) to accept, purchase, hold, or disburse any payment stablecoins (“stablecoins”) that are designated by the Department and meet certain criteria. The bill provides the Legislative intent of the voluntary program is to yield benefits from acceptance of stablecoins for the payment of governmental fees.

The Department is authorized by the bill to accept stablecoins for the payment of government fees, issue certain disbursements and purchase stablecoins that are necessary to make such disbursements and hold stablecoins which are restricted to a specified amount for a certain period if interest or yields are not earned on them. Any yields earned on them must be credited to the benefit of the state.

The bill authorizes the Department to designate one or more stablecoins for the authorized activities. Designated stablecoins must meet several requirements, including complying with relevant federal and state laws, having a minimum market capitalization, being fully backed by reserve assets on a one to one basis, being subjected to reasonable network or exchange platform fees, and being issued by a permitted payment stablecoin issuer. The Department must make certain information regarding the program available on its website within a specified time.

An applicant, a licensee, or other program participant may elect to participate in the program and remit designated 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 designated stablecoins and must convert such coins to U.S. currency and credit the applicable account within a reasonable time after receipt of payment. A participant that elects to receive authorized disbursements in designated stablecoin must provide the Department with a compatible digital wallet address where payment may be sent.

The Department is authorized to conduct examinations, audits, and investigations of the designated stablecoin issuer to verify asset backing, redeemability, and adherence to consumer protection standards, including standards related to fraud prevention and dispute resolution. The Department is required to coordinate with the Office of Financial Regulation (OFR) when conducting such activity.

There is an indeterminate fiscal impact to state revenues and expenditures. *See Section V., Fiscal Impact Statement.*

The bill is effective upon becoming a law.

## II. Present Situation:

There are approximately 300 stablecoins issued<sup>1</sup> with a market cap of over \$300 billion.<sup>2</sup> Stablecoin transaction volume in August 2025 totaled \$969.9 billion.<sup>3</sup> Tether and USDC are the top two stablecoin issuers based on their market cap of \$187.03 billion and \$75.43 billion, respectively.<sup>4</sup>

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.<sup>5</sup> 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.”<sup>6</sup>

A stablecoin is created in the form of a digital token and logged on a shared digital ledger.<sup>7</sup> Stablecoin may be secured in a custodial or noncustodial wallet that stores private keys required

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<sup>1</sup> Kemmerer, D., *Stablecoin Market Share and Transaction Volume – [September 2025 Data]*, CoinLedger (Dec. 8, 2025), <https://coinledger.io/research/stablecoin-market-share-and-transaction-volume> (last visited Feb 12, 2026) (hereinafter cited as “Stablecoin Market Share and Transaction Volume Article”).

<sup>2</sup> Forbes, *Top Stablecoins Coins Today by Market Cap*, <https://fnord-www.forbes.com/digital-assets/categories/stablecoins/> (last visited Feb. 11, 2026).

<sup>3</sup> Stablecoin Market Share and Transaction Volume Article.

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

<sup>5</sup> The Securities and Exchange Commission, *Stablecoins* (Apr. 4, 2025), <https://www.sec.gov/newsroom/speeches-statements/statement-stablecoins-040425> (last visited Feb. 11, 2026).

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

<sup>7</sup> Association for Financial Professionals, *Stablecoins*, <https://www.financialprofessionals.org/glossary/stablecoins> (last visited Feb. 11, 2026) (hereinafter cited as “AFP Stablecoins Article”).

for transaction authorization.<sup>8</sup> Custodial wallets are maintained by third-party services for key management, whereas noncustodial wallets are maintained by the stablecoin owner keeping full control.<sup>9</sup> 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.<sup>10</sup> The most common types of wallets are noncustodial software hot wallets, noncustodial hardware cold or hot wallets, or custodial hardware cold wallets.<sup>11</sup>

Some reported benefits of stablecoins include: fast transactions, transparency, programmability, unrestricted availability, minimal cost, global access, and flexibility in models.<sup>12</sup> 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.<sup>13</sup>

### **Stablecoin Regulation**

Last year, the Guiding and Establishing National Innovation for U.S. Stablecoins Act (the “GENIUS Act”)<sup>14</sup> 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

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<sup>8</sup> The Investopedia Team, *Cryptocurrency Wallets Explained: Types, Functionality & Security* (Jan. 6, 2026), Investopedia, <https://www.investopedia.com/terms/b/bitcoin-wallet.asp> (last visited Feb. 12, 2026).

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

<sup>10</sup> *Id.*

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

<sup>12</sup> Sergeenkov, Andrey; *Forbes*, *What Are Stablecoins and How Can One Use Them for Payments?* (Oct. 13, 2024), *Forbes*, *Forbes* 101, *Forbes* Digital Assets, <https://www.forbes.com/sites/digital-assets/article/what-are-stablecoins-how-to-use-them/> (last visited Feb. 12, 2026).

<sup>13</sup> AFP Stablecoins Article.

<sup>14</sup> Guiding and Establishing National Innovation for U.S. Stablecoin Act, Pub. L. 119-27 (July 18, 2025).

restricts the issuance, offer, or sale of a payment stablecoin<sup>15</sup> to permitted payment stablecoin issuers,<sup>16,17</sup> which must:<sup>18</sup>

- Maintain identifiable reserves backing the outstanding payment stablecoins on at least a one-to-one basis<sup>19</sup> 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.

A permitted payment stablecoin issuer must have monthly reports examined by a registered public accounting firm.<sup>20</sup> The GENIUS Act requires the primary federal payment stablecoin regulator (the “federal regulator”),<sup>21</sup> 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

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<sup>15</sup> 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.

<sup>16</sup> 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.

<sup>17</sup> 12 U.S.C. s. 5902(a).

<sup>18</sup> 12 U.S.C. s. 5903(a)(1).

<sup>19</sup> 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.

<sup>20</sup> 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.

<sup>21</sup> 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.<sup>22</sup>

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<sup>23</sup> 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.<sup>24</sup>

### Other Federal Regulation

Congress is considering passage of the Digital Asset Market Clarity Act of 2025 (the “CLARITY Act”)<sup>25</sup> which would establish a regulatory framework for digital commodities<sup>26</sup> that are defined as digital assets<sup>27</sup> and rely upon blockchain<sup>28</sup> for their value.<sup>29</sup> The CLARITY Act requires a digital commodity broker, dealer, or exchange to register with the Commodity Futures Trading Commission unless an exemption applies,<sup>30</sup> and requires a digital commodities transaction to meet specified requirements including qualifications to trade on an exchange.<sup>31</sup> 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.<sup>32</sup> The CLARITY Act has passed the House and is currently in the Senate Banking, Housing, and Urban Affairs Committee.<sup>33</sup>

<sup>22</sup> 12 U.S.C. s. 5903(a)(4).

<sup>23</sup> 12 U.S.C. s. 5906(a).

<sup>24</sup> 12 U.S.C. s. 5903(c).

<sup>25</sup> *The CLARITY Act*, H.R. 3633 – Digital Asset Market Clarity Act of 2025, 119<sup>th</sup> Congress (2025-2026), <https://www.congress.gov/bill/119th-congress/house-bill/3633> (last visited Feb. 11, 2026) (hereinafter cited as “The CLARITY Act”)

<sup>26</sup> 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).

<sup>27</sup> *Id.* defines “digital asset” as any digital representation of value which is recorded on a cryptographically-secured distributed ledger or similar technology.

<sup>28</sup> *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).”

<sup>29</sup> Congress.Gov, *Summary: H.R. 3633 – 119<sup>th</sup> Congress (2025-2026)*, <https://www.congress.gov/bill/119th-congress/house-bill/3633> (last visited Feb. 11, 2025)

<sup>30</sup> *Id.*

<sup>31</sup> The CLARITY Act.

<sup>32</sup> See Holtz-Eakin, D., *Some Clarity on GENIUS?* American Action Forum (Jan. 7, 2026), <https://www.americanactionforum.org/daily-dish/some-clarity-on-genius/> (last visited Feb. 11, 2026); Schwartz, L., *Landmark Crypto Bill on Knife’s Edge as Coinbase CEO Pulls Support Ahead of Key Senate Vote*, Fortune (Jan. 14, 2026), <https://fortune.com/2026/01/14/crypto-bill-coinbase-legislation-clarity-market-structure-stablecoins-banking-markup/> (last visited Feb. 11, 2026); Shen, T. and Wynn, S., *Senate Unveils Updated Market Structure Bill Limiting Stablecoin Rewards on Idle Holdings*, The Block, <https://www.theblock.co/post/385303/senate-unveils-new-draft-bill-stablecoin-reward> (last visited Feb. 11, 2026).

<sup>33</sup> Congress.Gov, *H.R. 3633 – Digital Asset Market Clarity Act of 2025*, <https://www.congress.gov/bill/119th-congress/house-bill/3633> (last visited Feb. 11, 2026).

### ***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.<sup>34</sup>

### **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"),<sup>35</sup> and is jointly responsible with the Office of Insurance Regulation for enforcing the applicable statutory provisions related to the Florida Insurance Code.<sup>36</sup> Part of the Department's responsibilities include licensing insurance agents, agencies, adjusters, and adjusting firms,<sup>37</sup> and collecting licensing fees with respect to such licensing.<sup>38</sup>

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."<sup>39</sup> The Insurance Division's efforts generate approximately \$120 million which are credited to the Insurance Regulatory Trust Fund.<sup>40</sup>

### **Qualified Public Depositories**

Unless a specific exemption applies, state and local governments must deposit public funds in a bank or savings association that has been designated as a qualified public depository (QPD) under the Florida Security for Public Deposits Act.<sup>41</sup>

To be designated as a QPD by the CFO, a bank, savings bank, or savings association must:

- Have authority to accept deposits because it has been chartered and regulated by the state or federal government;
- Have its principal place of business in Florida, or a branch office in Florida;

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<sup>34</sup> The OFR, *2026 Agency Legislative Bill Analysis for Senate Bill 314, Florida Office of Financial Regulation*, (Oct. 30, 2025) p. 4, (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as "2026 OFR Agency Analysis for SB 314").

<sup>35</sup> Section 20.121(2), F.S.

<sup>36</sup> Section 624.307(1), F.S.

<sup>37</sup> Section 626.112(1)(a), F.S. and s. 626.172(1), F.S.

<sup>38</sup> Section 624.501, F.S.

<sup>39</sup> 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").

<sup>40</sup> *Id.*; s. 624.523, F.S.

<sup>41</sup> Sections 280.01 and 280.03(1)(b), F.S. Certain public deposits, including those that are fully collateralized under other laws and moneys contributions to the state retirement system that are held in the System Trust Fund, are exempt pursuant to s. 280.03(3), F.S.

- Have deposit insurance pursuant to the Federal Deposit Insurance Act<sup>42</sup> or the National Credit Union Share Insurance Fund;
- Have procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits;
- Meet all the requirements of ch. 280, F.S., relating to security for public deposits; and
- Refrain from engaging in the unsafe and unsound practice of discriminating against a person in providing services.<sup>43</sup>

Qualified public depositories must secure public deposits with a pledge of eligible collateral, to protect the deposit against losses that could occur in the event of insolvency or default.<sup>44</sup> The amount of collateral that is required is based on statutory guidelines and the QPD's overall financial condition.<sup>45</sup>

Public deposits include, but are not limited to, time deposit accounts, demand deposit accounts, and nonnegotiable certificates of deposits; they do not include moneys in deposit notes, securities, mutual funds, and similar investments.<sup>46</sup>

A bank or savings association must guarantee public depositors against losses caused by the default or insolvency of other QPDs.<sup>47</sup> Any shortfall that is not covered by the maximum federal deposit insurance of \$250,000, the CFO must demand payment under letters of credit or the sale of pledged or deposited collateral by the defaulting depository. The CFO may assess QPDs for the total loss if the demand for payment or sale cannot be accomplished within seven days.<sup>48</sup>

### **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.<sup>49</sup> The OFR is responsible for enforcing regulations and imposing disciplinary actions against MSBs.<sup>50</sup>

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

The bill creates a pilot program for the Department of Financial Services (the "Department") to accept payment stablecoin for payment of governmental fees and hold and disburse payment stablecoin.

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<sup>42</sup> 12 U.S.C. ss. 1811 et. seq.

<sup>43</sup> Section 280.02(26), F.S.

<sup>44</sup> Sections 280.04 and 280.041(6), F.S.

<sup>45</sup> Section 280.04, F.S., and Rule 69C-2.024, F.A.C.

<sup>46</sup> Section 280.02(23), F.S.

<sup>47</sup> Section 280.07, F.S.

<sup>48</sup> Section 280.08, F.S.

<sup>49</sup> Section 560.103(23), F.S.

<sup>50</sup> Section 560.114(1), F.S.

**Section 1** creates s. 17.72, F.S., to establish the Florida Stablecoin Pilot Program (the “program”) and specify the intent of the Legislature is for the voluntary program to yield benefits from acceptance of payment stablecoins for governmental fees.

The bill defines the following terms:

- “Blockchain” means a mathematically secured, chronological, decentralized, distributed, and digital ledger or database that consists of records of transaction that cannot be altered retroactively.
- “Compatible digital wallet address” means the address of a software application that securely stores private keys for accessing and completing transactions with payment stablecoins.
- “Digital asset” means any digital representation of value that is recorded on a cryptographically secured digital ledger.
- “Exchange platform” means a company licensed and regulated by the federal or a state government which provides training, custody, or money transmission services of payment stablecoins or other digital assets.
- “Federal qualified payment stablecoin issuer” means any of the following:
  - 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.
  - 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.
  - 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 Act, 12 U.S.C. s. 1813.
- “Network fee” means the cost paid by a user to have a transaction processed and confirmed on a blockchain network.
- “Payment stablecoin” means a digital asset that meets all the following requirements:
  - Is, or is designed to be, used as a means of payment or settlement.
  - The issuer of which:
    - 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.
    - 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.
  - The term does not include a digital asset that is any of the following:
    - A national currency.
    - 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.
    - A security, as defined in s. 517.21, 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.

- “Permitted payment stablecoin issuer” means a person formed in the United States which is one of the following:
  - A subsidiary of an insured depository institution that 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.
  - A federal qualified payment stablecoin issuer.
  - A state qualified payment stablecoin issuer.
- “State qualified payment stablecoin issuer” means an entity legally established under the laws of a state and approved by the Office of Financial Regulation (OFR) to issue payment stablecoins.

The bill authorizes the Department to engage in the following activities:

- Accept payment stablecoin (“stablecoin”) as a form of payment for licensing, application, renewal, other regulatory fees, or any other fee owed to the Department.
- Issue refunds, reimbursements, or other similar disbursements in the form of stablecoins to any participant who elects to participate in the program. The Department is authorized to purchase stablecoins in an amount that is necessary to support such activity.
- Hold stablecoins. The Department may hold stablecoins only in the amount that is estimated to be required to issue refunds, reimbursements, or other similar disbursements during a revolving 30-day period if the stablecoin does not earn any interest or yields. Any interest earned on stablecoin must be credited to the benefit of the state.

The Department may designate one or more payment stablecoins for activities authorized under the bill if the payment stablecoin meets all requirements specified in the bill. The requirements are that the stablecoin must:

- Have an average market capitalization of at least one billion dollars during the preceding 12 month period.
- Be fully backed by reserve assets on a one-to-one basis limited to U.S. currency, demand deposits at insured depository institutions, U.S. Treasury bills having a remaining maturity of 93 days or less, or reverse repurchase agreements collateralized by the Treasury bills.
- Be redeemable at all times at a one-to-one ratio for U.S. dollars through the permitted payment stablecoin issuer or its agent.
- Be issued by a permitted payment stablecoin issuer.
- Be purchased by the department directly from a permitted payment stablecoin issuer through a blockchain network or indirectly through an exchange platform or received by the department from a program participant.
- Be subject to reasonable network or exchange fees that are consistent with industry standards if they are paid by the department. Examples of fees that may be paid are fees for purchasing, selling, transacting, converting, withdrawing, payment processing, or gas fees. The fees must not exceed the fees that would be charged to the department if payment were accepted by similar mediums of exchange.
- Be issued by an issuer that meets any additional criteria for a permitted payment stablecoin issuer under any applicable federal or state law, such as the GENIUS Act, unless the provisions of the bill provide otherwise.

The bill allows the Department to accept payment stablecoins as a form of payment for fees, which may include licensing fees, registration fees, certification fees, assessment fees, application fees, renewal fees, and other regulatory fees administered by 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 for such fees.

If the Department decides to engage in any of the authorized activities, the Department must comply with several requirements, as applicable:

- Ensure that any payment stablecoin issuer designated for use in the pilot program is a permitted payment stablecoin issuer. The Department may not designate a payment stablecoin or engage in any activities that are authorized in the pilot program if a federal or state qualified payment stablecoin issuer has not been approved by the respective regulator.
- Provide a compatible digital wallet address for the receipt of stablecoins.
- Within a reasonable time after receiving a stablecoin from any program participant, convert the stablecoins into U.S. currency and credit the account where the funds would be held in a qualified public depository, unless an exception applies, in the same manner as they would have been credited for payments made by other authorized means. The Department is required to attempt to minimize the amount of potential fees when determining the date and time to convert the payment stablecoin.
- Make certain information available on the Department's website at least 15 days before the information, designation, or change of information become effective, including:
  - The intended or actual start date of the pilot program.
  - An explanation of how the pilot program operates and how to elect to participate in the pilot program.
  - The designation of any payment stablecoins that meet all of the requirements in this section, and information about the process of being selected as a designated payment stablecoin.
  - Whether the Department will engage or is engaging in any of the activities authorized in the program.
  - Whether the Department will cease or has ceased engaging in one or more of the authorized activities.

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 those stablecoins designated by the Department for participation in the pilot program. A participant who elects to receive authorized disbursements in stablecoin must provide the Department with a compatible digital wallet address where the payment may be sent.

The bill authorizes the Department to conduct examinations, audits, and investigations of the issuer of the stablecoin that is designated 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 and the Office of Financial Regulation (OFR) to coordinate any examinations, audits, and investigations of state payment stablecoin issuers to avoid duplicative efforts and ensure for efficient use of resources.

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<sup>st</sup> 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 the following:

- A summary of the data the Department is required to collect.
- Any findings related to the pilot program, such as trends or patterns relating to financial matters, like fiscal impacts, or nonfinancial matters, like utilization analysis.
- Recommendations for expansion or termination of the program.
- Proposed statutory changes, if appropriate.

The bill includes statutory construction which specifies that the bill's provisions:

- Do not alter or supersede any existing statutory fee obligations, licensing requirements, or enforcement authority of the Department.
- May not construed to require the Department to implement the pilot program, or to engage in any or all of the authorized activities.
- Clarify that acceptance of stablecoins is an optional payment method and does not require acceptance of any other digital asset.
- May not be construed to relieve the Chief Financial Officer or the Department of any obligation to secure public funds, including any stablecoins, in a qualified public depository unless an exemption applies or, with respect to payment stablecoins, to hold such stablecoins in a manner similar to how direct United States Treasury obligations are held pursuant to s. 17.57(2)(a), F.S.<sup>51</sup>

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.

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<sup>51</sup> See s. 17.57, F.S.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill has an indeterminate impact on state revenues and expenditures. The Department of Financial Services (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.”<sup>52</sup>

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.”<sup>53</sup> The bill requires the Department to pay only reasonable network and exchange fees that do not exceed the fees that would be charged to the department if payment were accepted by credit card or wire transfer. Further, the Department must attempt to minimize the amount of potential fees when determining the date and time to convert stablecoins.

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.”<sup>54</sup>

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.”<sup>55</sup>

**VI. Technical Deficiencies:**

None.

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<sup>52</sup> The Department’s Agency Analysis for SB 1568.

<sup>53</sup> *Id.*

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill creates section 17.72 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/CS by Appropriations Committee on Agriculture, Environment, and General Government on February 18, 2026:**

The committee substitute:

- Clarifies the Department of Financial Services (DFS) may choose one or more of the authorized activities in which to engage.
- Specifies the authorized activities must be with any payment stablecoins designated by the DFS.
- Modifies the requirement of a U.S. Treasury bill as a reserve asset to have a remaining maturity of 93 days or less, rather than 90 days or less.
- Prohibits network or exchange platform fees paid by the DFS from exceeding fees that would be charged by “similar mediums of exchange,” rather than charged by credit card or wire transfer.
- Modifies the DFS duties to clarify that the duties apply only to the extent that the DFS decides to engage in any of the authorized activities.
- Clarifies that the DFS may not designate a payment stablecoin if the Federal government has not approved any Federal qualified payment stablecoin issuers or the Office of Financial Regulation (OFR) has not approved any state qualified payment stablecoin issuers.
- Clarifies that once payment stablecoins are converted as required in the bill, the funds would be held in a qualified public depository, unless an exception applies as provided under current law.
- Requires the DFS to make specified public disclosures on its website at least 15 days before the information, designation, or change of information becomes effective.
- Provides statutory construction to clarify that the DFS is not required to implement the pilot program, or to engage in any or all of the authorized activities.
- Modifies the statutory construction to allow stablecoins to be held in a manner similar to how direct United States Treasury obligations are held pursuant to s. 17.57(2)(a), F.S.

**CS by Banking and Insurance Committee on February 4, 2026:**

The committee substitute:

- Clarifies the Legislative intent of the program.
- Authorizes the Department of Financial Services (Department) to engage in specified activities relating to stablecoins.

- Restricts the amount and time that stablecoin may be held if no interest or yield is earned on them.
- Provides any yields earned on stablecoins must be credited to the benefit of the state.
- Authorizes the Department to designate one or more stablecoins for use in the program.
- Specifies requirements that stablecoins used in the program must meet.
- Clarifies the Department's fees that may be paid in stablecoins.
- Requires a program participant that elects to receive certain disbursements from the Department to provide a compatible digital wallet address where such payment may be sent.
- Clarifies the Department's requirements relating to the program, including using permitted payment stablecoin issuers, providing participants with a compatible digital wallet address, and converting stablecoins.
- Requires the Department to coordinate with the OFR to conduct examinations, audits, or investigations in certain circumstances.
- Clarifies the information required to be included to annual reports that must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives.
- Expands statutory construction to clarify that the Chief Financial Officer or the Department are not relieved from complying with obligations to secure public funds, including stablecoins, in a qualified public depository unless an exemption applies.
- Defines terms.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/20/2026	.	
	.	
	.	
	.	

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The Appropriations Committee on Agriculture, Environment, and General Government (DiCeglie) recommended the following:

**Senate Amendment**

Delete lines 116 - 238

and insert:

(a) The department may engage in one or more of the following activities with any payment stablecoins that are designated by the department pursuant to paragraph (b) and that meet the requirements of this section:

1. Accept payment stablecoins for the payment of authorized fees as provided in paragraph (c).



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11       2. Issue refunds, reimbursements, or other similar  
12 disbursements in the form of payment stablecoins to any  
13 participant who elects to receive a payment in such form. The  
14 department may purchase payment stablecoins in an amount that is  
15 necessary to support such activity.

16       3. Hold payment stablecoins. If a payment stablecoin held  
17 by the department does not earn interest or yields, the  
18 department may hold such payment stablecoin only in the amount  
19 that is estimated to be required to issue refunds,  
20 reimbursements, or other similar disbursements during a  
21 revolving 30-day period. Any direct or indirect yields earned  
22 with respect to payment stablecoins shall be credited to the  
23 benefit of the state.

24       (b) The department may designate one or more payment  
25 stablecoins for the activities authorized in paragraph (a). Any  
26 payment stablecoin that is accepted, purchased, held, or  
27 disbursed by the department pursuant to this section must meet  
28 all of the following criteria:

29       1. Have an average market capitalization of at least \$1  
30 billion during the preceding 12-month period.

31       2. Be fully backed by reserve assets on a one-to-one basis  
32 limited to United States currency, demand deposits at insured  
33 depository institutions, United States Treasury bills having a  
34 remaining maturity of 93 days or less, or reverse repurchase  
35 agreements collateralized by such Treasury bills.

36       3. Be redeemable at all times at a one-to-one ratio for  
37 United States dollars through the permitted payment stablecoin  
38 issuer or its agent.

39       4. Be issued by a permitted payment stablecoin issuer.



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40           5. Be purchased by the department directly from a permitted  
41 payment stablecoin issuer through a blockchain network or  
42 indirectly through an exchange platform, or received by the  
43 department from a program participant.

44           6. If network fees or exchange platform fees are paid by  
45 the department, be subject to reasonable network fees or  
46 exchange platform fees, including, but not limited to,  
47 purchasing, selling, transacting, converting, withdrawing,  
48 payment processing, or gas fees, which are consistent with  
49 industry standards. Such fees must not exceed the fees that  
50 would be charged to the department if payment were accepted by  
51 similar mediums of exchange.

52           7. Except as otherwise provided in this section, be issued  
53 by an issuer that meets any additional criteria for a permitted  
54 payment stablecoin issuer under any applicable federal or state  
55 law including, but not limited to, the GENIUS Act, Pub. L. No.  
56 119-27.

57           (c) The department may accept payment stablecoins as a form  
58 of payment for fees that include, but are not limited to,  
59 licensing fees, registration fees, certification fees,  
60 assessment fees, application fees, renewal fees, other  
61 regulatory fees administered by the department, or any other fee  
62 owed to the department.

63           (d) An applicant, a licensee, or other program participant  
64 may elect to voluntarily participate in the pilot program and  
65 remit payment stablecoins to a compatible digital wallet address  
66 designated by the department as a valid form of payment for any  
67 fee authorized in paragraph (c).

68           (e) A participant that elects to receive from the



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69 department a refund, reimbursement, or other similar  
70 disbursement in the form of payment stablecoin must provide the  
71 department with a compatible digital wallet address where such  
72 payment may be sent.

73 (3) DEPARTMENT DUTIES.—

74 (a) To the extent the department decides to engage in any  
75 of the activities authorized under paragraph (2) (a), the  
76 department must comply with all of the following requirements,  
77 as applicable:

78 1. Ensure that any payment stablecoin issuer designated for  
79 use in the pilot program is a permitted payment stablecoin  
80 issuer. If the Federal Government has not approved any federal  
81 qualified payment stablecoin issuers, or if the Office of  
82 Financial Regulation has not approved any state qualified  
83 payment stablecoin issuers, the department may not designate a  
84 payment stablecoin for use in the pilot program pursuant to  
85 paragraph (2) (b) or engage in any of the activities authorized  
86 in paragraph (2) (a).

87 2. Provide a compatible digital wallet address to any  
88 participant that elects to participate in the voluntary pilot  
89 program for the payment of any fees authorized in paragraph  
90 (2) (c) to be paid in the form of payment stablecoins.

91 3. Within a reasonable time after receiving a payment  
92 stablecoin from any program participant, convert the payment  
93 stablecoin into United States currency and credit the applicable  
94 account where the funds would be held in a qualified public  
95 depository, unless an exception applies pursuant to s. 280.03,  
96 in the same manner as a payment made by any other authorized  
97 means. The department is required to attempt to minimize the



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98 amount of potential fees when determining the date and time to  
99 convert the payment stablecoin.

100 4. Make the following information available to the public  
101 on the department's website at least 15 days before the  
102 information, designation, or change of information becomes  
103 effective:

104 a. The intended or actual start date of the pilot program.

105 b. An explanation of how the pilot program operates and how  
106 to elect to participate in the pilot program.

107 c. The designation of any payment stablecoins that meet all  
108 of the requirements in this section, and information about the  
109 process of being selected as a designated payment stablecoin.

110 d. Whether the department will engage, or is engaging in,  
111 any of the activities authorized in paragraph (2) (a).

112 e. Whether the department will cease, or has ceased  
113 engaging in, one or more of the activities authorized in  
114 paragraph (2) (a).

115 (b) The department may conduct examinations, audits, or  
116 investigations of a permitted payment stablecoin issuer of a  
117 payment stablecoin designated for use in the pilot program to  
118 verify asset backing, redeemability, and adherence to consumer  
119 protection standards, including standards related to fraud  
120 prevention and dispute resolution. To the extent that the  
121 department intends to engage in such conduct as to a state  
122 qualified payment stablecoin issuer, the department shall  
123 coordinate with the Office of Financial Regulation to avoid  
124 duplicated efforts and to efficiently regulate such issuer.

125 (4) REPORTING.—

126 (a) The department shall monitor and evaluate the pilot



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127 program and collect data on transaction volume, cost savings,  
128 security incidents, regulatory compliance, and economic impacts,  
129 as well as any instances of fraud or disputes.

130 (b) Beginning February 1, 2027, and annually thereafter,  
131 the department must submit a report to the Governor, the  
132 President of the Senate, and the Speaker of the House of  
133 Representatives which must include all of the following:

134 1. A summary of the data collected pursuant to paragraph  
135 (a).

136 2. Any findings the department makes with respect to the  
137 pilot program which include, but are not limited to, findings  
138 regarding any trends or patterns relating to financial matters,  
139 such as fiscal impacts, or nonfinancial matters, such as  
140 utilization analyses.

141 3. Any recommendations for expansion or termination of the  
142 pilot program.

143 4. Any proposed statutory changes, if appropriate.

144 (5) CONSTRUCTION.—This section:

145 (a) Does not alter or supersede any existing statutory fee  
146 obligations, licensing requirements, or enforcement authority of  
147 the department.

148 (b) May not be construed to require the department to  
149 implement the pilot program, or to engage in any of the  
150 activities authorized in paragraph (2) (a).

151 (c) Authorizes the acceptance of payment stablecoins as an  
152 optional payment method and does not require or authorize the  
153 acceptance of any other digital asset.

154 (d) May not be construed to relieve the Chief Financial  
155 Officer or the department of any obligation to secure public



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156 funds, including any payment stablecoins, in a qualified public  
157 depository unless an exemption applies pursuant to s. 280.03 or,  
158 with respect to payment stablecoins, to hold such stablecoins in  
159 a manner similar to how direct United States Treasury  
160 obligations are held pursuant to s. 17.57(2)(a).

By the Committee on Banking and Insurance; and Senator DiCeglie

597-02501-26

20261568c1

1 A bill to be entitled  
 2 An act relating to the Florida Stablecoin Pilot  
 3 Program; creating s. 17.72, F.S.; establishing the  
 4 Florida Stablecoin Pilot Program within the Department  
 5 of Financial Services; providing legislative intent;  
 6 defining terms; authorizing the department to engage  
 7 in certain activities; authorizing the department to  
 8 designate one or more payment stablecoins for certain  
 9 activities; requiring that certain payment stablecoins  
 10 meet specified criteria; authorizing the department to  
 11 accept payment stablecoins; authorizing program  
 12 participants to elect to voluntarily participate in  
 13 the program and remit payment stablecoins to a  
 14 compatible digital wallet address; requiring certain  
 15 participants to provide the department with a  
 16 compatible digital wallet address; requiring the  
 17 department to comply with certain requirements;  
 18 requiring the department to provide a compatible  
 19 digital wallet address for a specified purpose;  
 20 authorizing the department to conduct examinations,  
 21 audits, and investigations of permitted payment  
 22 stablecoin issuers; requiring the department to  
 23 coordinate with the Office of Financial Regulation  
 24 under certain circumstances; requiring the department  
 25 to monitor and evaluate the pilot program and collect  
 26 certain data; requiring the department to submit an  
 27 annual report containing certain information to the  
 28 Governor and the Legislature, beginning on a specified  
 29 date and annually thereafter; providing construction;

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30 authorizing the department to adopt rules; providing  
 31 an effective date.  
 32  
 33 Be It Enacted by the Legislature of the State of Florida:  
 34  
 35 Section 1. Section 17.72, Florida Statutes, is created to  
 36 read:  
 37 17.72 Florida Stablecoin Pilot Program.—There is  
 38 established within the Department of Financial Services the  
 39 Florida Stablecoin Pilot Program. It is the intent of the  
 40 Legislature that the Florida Stablecoin Pilot Program yield  
 41 benefits from the acceptance of payment stablecoins as a form of  
 42 payment for governmental fees through this voluntary pilot  
 43 program.  
 44 (1) DEFINITIONS.—As used in this section, the term:  
 45 (a) “Blockchain” means a mathematically secured,  
 46 chronological, decentralized, distributed, and digital ledger or  
 47 database that consists of records of transactions that cannot be  
 48 altered retroactively.  
 49 (b) “Compatible digital wallet address” means the address  
 50 of a software application that securely stores private keys for  
 51 accessing and completing transactions with payment stablecoins.  
 52 (c) “Digital asset” means any digital representation of  
 53 value that is recorded on a cryptographically secured digital  
 54 ledger.  
 55 (d) “Exchange platform” means a company licensed and  
 56 regulated by the federal or a state government which provides  
 57 trading, custody, or money transmission services of payment  
 58 stablecoins or other digital assets.

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59 (e) "Federal qualified payment stablecoin issuer" means any  
60 of the following:

61 1. A nonbank entity, other than a state qualified payment  
62 stablecoin issuer, approved by the Office of the Comptroller of  
63 the Currency to issue payment stablecoins.

64 2. An uninsured national bank that is chartered by the  
65 Office of the Comptroller of the Currency pursuant to title LXII  
66 of the Revised Statutes and is approved to issue payment  
67 stablecoins. As used in this subsection, the term "national  
68 bank" has the same meaning as in the GENIUS Act, Pub. L. No.  
69 119-27.

70 3. A Federal branch that is approved by the Office of the  
71 Comptroller of the Currency to issue payment stablecoins. For  
72 purposes of this subparagraph, the term "Federal branch" has the  
73 same meaning as in section 3 of the Federal Deposit Insurance  
74 Act, 12 U.S.C. s. 1813.

75 (f) "Network fee" means the cost paid by a user to have a  
76 transaction processed and confirmed on a blockchain network.

77 (g)1. "Payment stablecoin" means a digital asset that meets  
78 all of the following requirements:

79 a. Is, or is designed to be, used as a means of payment or  
80 settlement.

81 b. The issuer of which:

82 (I) Is obligated to convert, redeem, or repurchase the  
83 digital asset for a fixed amount of monetary value, not  
84 including a digital asset denominated in a fixed amount of  
85 monetary value.

86 (II) Represents that such issuer will maintain, or create  
87 the reasonable expectation that it will maintain, a stable value

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88 relative to the value of a fixed amount of monetary value.

89 2. The term does not include a digital asset that is any of  
90 the following:

91 a. A national currency.

92 b. A deposit as defined in section 3 of the Federal Deposit  
93 Insurance Act, 12 U.S.C. s. 1813, including a deposit recorded  
94 using distributed ledger technology. For purposes of this  
95 subparagraph, the term "distributed ledger" has the same meaning  
96 as in the GENIUS Act, Pub. L. No. 119-27.

97 c. A security, as defined in s. 517.021, section 2 of the  
98 Securities Act of 1933, 15 U.S.C. s. 77b, section 3 of the  
99 Securities and Exchange Act of 1934, 15 U.S.C. s. 78c, or  
100 section 2 of the Investment Company Act of 1940, 15 U.S.C. s.  
101 80a-2.

102 (h) "Permitted payment stablecoin issuer" means a person  
103 formed in the United States which is one of the following:

104 1. A subsidiary of an insured depository institution that  
105 has been approved to issue payment stablecoins under the GENIUS  
106 Act, Pub. L. No. 119-27. For purposes of this subparagraph, the  
107 term "insured depository institution" has the same meaning as in  
108 the GENIUS Act, Pub. L. No. 119-27.

109 2. A federal qualified payment stablecoin issuer.

110 3. A state qualified payment stablecoin issuer.

111 (i) "State qualified payment stablecoin issuer" means an  
112 entity legally established under the laws of a state and  
113 approved by the Office of Financial Regulation to issue payment  
114 stablecoins.

115 (2) PROGRAM PARTICIPATION.-

116 (a) The department may engage in any of the following

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117 activities that meet the requirements of this section:

118 1. Accept payment stablecoin for the payment of authorized

119 fees as provided in paragraph (c).

120 2. Issue refunds, reimbursements, or other similar

121 disbursements in the form of payment stablecoins to any

122 participant who elects to receive a payment in such form. The

123 department may purchase payment stablecoins in an amount that is

124 necessary to support such activity.

125 3. Hold payment stablecoin. If such payment stablecoin does

126 not earn any interest or yields, the department may hold payment

127 stablecoin only in the amount that is estimated to be required

128 to issue refunds, reimbursements, or other similar disbursements

129 during a revolving 30-day period. Any direct or indirect yields

130 earned with respect to payment stablecoins shall be credited to

131 the benefit of the state.

132 (b) The department may designate one or more payment

133 stablecoins for activities authorized in paragraph (a). Any

134 payment stablecoin that is accepted, purchased, held, or

135 disbursed by the department pursuant to this section must meet

136 all of the following criteria:

137 1. Have an average market capitalization of at least \$1

138 billion during the preceding 12-month period.

139 2. Be fully backed by reserve assets on a one-to-one basis

140 limited to United States currency, demand deposits at insured

141 depository institutions, United States Treasury bills having a

142 remaining maturity of 90 days or less, or reverse repurchase

143 agreements collateralized by such Treasury bills.

144 3. Be redeemable at all times at a one-to-one ratio for

145 United States dollars through the permitted payment stablecoin

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146 issuer or its agent.

147 4. Be minted by a permitted payment stablecoin issuer.

148 5. Be purchased by the department directly from a permitted

149 payment stablecoin issuer through a blockchain network or

150 indirectly through an exchange platform, or received by the

151 department from a program participant.

152 6. If network fees or exchange platform fees are paid by

153 the department, be subject to reasonable network fees or

154 exchange platform fees, including, but not limited to

155 purchasing, selling, transacting, converting, withdrawing,

156 payment processing, or gas fees, which are consistent with

157 industry standards. Such fees must not exceed the fees that

158 would be charged to the department if payment were accepted by

159 credit card or wire transfer.

160 7. Except as otherwise provided in this section, be issued

161 by an issuer that meets any additional criteria for a permitted

162 payment stablecoin issuer under any applicable federal or state

163 law including, but not limited to, the GENIUS Act, Pub. L. No.

164 119-27.

165 (c) The department may accept payment stablecoins as a form

166 of payment for fees that include, but are not limited to,

167 licensing fees, registration fees, certification fees,

168 assessment fees, application fees, renewal fees, other

169 regulatory fees administered by the department, or any other fee

170 owed to the department.

171 (d) An applicant, a licensee, or other program participant

172 may elect to voluntarily participate in the pilot program and

173 remit payment stablecoins to a compatible digital wallet address

174 designated by the department as a valid form of payment for any

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175 fee authorized in paragraph (c).

176 (e) A participant that elects to receive from the  
 177 department a refund, reimbursement, or other similar  
 178 disbursement in the form of payment stablecoin must provide the  
 179 department with a compatible digital wallet address where such  
 180 payment may be sent.

181 (3) DEPARTMENT DUTIES.—

182 (a) The department must comply with all of the following  
 183 requirements:

184 1. Ensure that any payment stablecoin issuer designated for  
 185 use in the pilot program is a permitted payment stablecoin  
 186 issuer.

187 2. Provide a compatible digital wallet address to any  
 188 participant that elects to participate in the voluntary pilot  
 189 program for the payment of any fees authorized in paragraph  
 190 (2)(c) to be paid in the form of payment stablecoins.

191 3. Within a reasonable time after receiving a payment  
 192 stablecoin from any program participant, convert the payment  
 193 stablecoin into United States currency and credit the applicable  
 194 account where the funds would be held in a qualified public  
 195 depository in the same manner as a payment made by any other  
 196 authorized means. The department is required to attempt to  
 197 minimize the amount of potential fees when determining the date  
 198 and time to convert the payment stablecoin.

199 (b) The department may conduct examinations, audits, or  
 200 investigations of a permitted payment stablecoin issuer of a  
 201 payment stablecoin designated for use in the pilot program to  
 202 verify asset backing, redeemability, and adherence to consumer  
 203 protection standards, including standards related to fraud

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204 prevention and dispute resolution. To the extent that the  
 205 department intends to engage in such conduct as to a state  
 206 qualified payment stablecoin issuer, the department must  
 207 coordinate with the Office of Financial Regulation to avoid  
 208 duplicated efforts and to efficiently regulate such issuer.

209 (4) REPORTING.—

210 (a) The department shall monitor and evaluate the pilot  
 211 program and collect data on transaction volume, cost savings,  
 212 security incidents, regulatory compliance, and economic impacts,  
 213 as well as any instances of fraud or disputes.

214 (b) Beginning February 1, 2027, and annually thereafter,  
 215 the department must submit a report to the Governor, the  
 216 President of the Senate, and the Speaker of the House of  
 217 Representatives which must include all of the following:

218 1. A summary of the data collected pursuant to paragraph  
 219 (a).

220 2. Any findings the department makes with respect to the  
 221 pilot program which include, but are not limited to, findings  
 222 regarding any trends or patterns relating to financial matters,  
 223 such as fiscal impacts, or nonfinancial matters, such as  
 224 utilization analysis.

225 3. Any recommendations for expansion or termination of the  
 226 pilot program.

227 4. Any proposed statutory changes, if appropriate.

228 (5) CONSTRUCTION.—This section:

229 (a) Does not alter or supersede any existing statutory fee  
 230 obligations, licensing requirements, or enforcement authority of  
 231 the department.

232 (b) Authorizes the acceptance of payment stablecoins as an

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233 optional payment method and does not require or authorize the  
234 acceptance of any other digital asset.

235 (c) May not be construed to relieve the Chief Financial  
236 Officer or the department of any obligation to secure public  
237 funds, including any payment stablecoins, in a qualified public  
238 depository unless an exemption applies pursuant to s. 280.03.

239 (6) RULEMAKING.—The department may adopt rules to implement  
240 this section.

241 Section 2. This act shall take effect upon becoming a law.



**THE FLORIDA SENATE**  
**SENATOR NICK DICEGLIE**  
District 18

**Ben Albritton**  
President of the Senate

**Jason Brodeur**  
President Pro Tempore

February 4, 2026

Dear Chair Brodeur,

I respectfully request that **SB 1568: Florida Stablecoin Pilot Program** be placed on the agenda of the Appropriations Committee on Agriculture, Environment, and General Government, at your earliest convenience. If my office can be of any assistance to the committee, please do not hesitate to contact me at [DiCeglie.Nick@flsenate.gov](mailto:DiCeglie.Nick@flsenate.gov) or (850) 487-5018. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Nick DiCeglie".

Nick DiCeglie

State Senator, District 18

*Proudly Serving Pinellas County*

Transportation Committee, Chair ~ Banking and Insurance Committee, Vice Chair ~  
Fiscal Policy Committee ~ Judiciary Committee ~  
Rules Committee ~ Joint Legislative Auditing Committee

The Florida Senate

# APPEARANCE RECORD

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02/18/26

Meeting Date

SB 1568

Bill Number or Topic

AEG

Committee

Amendment Barcode (if applicable)

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Speaking:  For  Against  Information

**OR**

Waive Speaking:  In Support  Against

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S-001 (08/10/2021)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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BILL: SB 1588

INTRODUCER: Senator Gruters

SUBJECT: Legal Tender

DATE: February 17, 2026

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Moody</u>	<u>Knudson</u>	<u>BI</u>	<u>Favorable</u>
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	<u>Favorable</u>
3.	_____	_____	<u>RC</u>	_____

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**I. Summary:**

SB 1588 amends CS/HB 999 (2025) adopted in chapter 2025-100, Laws of Florida, an act relating to legal tender (the “Act”),<sup>1</sup> that recognizes gold and silver as legal tender, expands regulation of financial institutions and money services businesses to regulate gold and silver legal tender, and establishes a regulatory scheme for custodians of gold and silver coin. The Act requires the Department of Financial Services (DFS) and the Office of Financial Regulation (OFR) to adopt rules to implement the Act, and repeals the Act on June 30, 2026, unless reviewed and saved from repeal through reenactment by the Legislature.

The bill makes the following changes:

- Saves from repeal ch. 2025-100, L.O.F.
- Clarifies purity requirements for “gold coin” and “silver coin.”
- Prohibits certain marks on gold or silver coin that indicate a face value, country’s name, or governmental issuance.
- Authorizes certain artistic or decorative designs on the gold or silver coin.
- Limits custodial services to “transactional gold or silver” that is “intended to be capable of electronic transfer.”
- Removes “custodian” from the services offered by a “money transmitter.”
- Limits the money services businesses requirements relating to gold or silver coin to transmissions.
- Requires a licensee to verify insurance coverage in certain circumstances.
- Requires a money transmitter that transmits gold coin or silver coin, rather than a custodian, to be examined at least annually.
- Repeals s. 560.214, F.S., regulating custodian services, and provisions cross-referencing such section.

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<sup>1</sup> CS/HB 999 (2025), Legal Tender, Ch. 2025-100, L.O.F.,

- Removes the OFR’s obligation to conduct an examination of the custodian’s vault before issuing a license.
- Removes additional licensing requirements for custodians and requires evidence as prescribed by rule for a licensee that transmits gold or silver coin.
- Removes gold and silver from services offered by a “foreign currency exchanger.”

The bill has an indeterminate fiscal impact on state revenues and expenditures. *See Section V., Fiscal Impact.*

The bill is effective upon becoming a law.

## II. Present Situation:

### Legal Tender and Specie under Federal and State Law

Article I, Section 8, Clause 5 of the U.S. Constitution grants Congress the exclusive power to coin money and regulate its value.<sup>2</sup> Under 31 U.S.C. § 5103, only United States coins and currency (including Federal Reserve notes) are recognized as legal tender<sup>3</sup> for the payment of debts, public charges, taxes, and dues.<sup>4</sup> Foreign gold or silver coins are not legal tender for debts under federal law.<sup>5</sup> Federal law also provides:

“Whoever, except as authorized by law, makes or utters or passes, or attempts to utter or pass, any coins of gold or silver or other metal, or alloys of metals, intended for use as current money, whether in the resemblance of coins of the United States or of foreign countries, or of original design, shall be fined under [Title 18] or imprisoned not more than five years, or both.”<sup>6</sup>

While prohibited from coining money, under Article I, Section 10, Clause 1 of the U.S. Constitution, states are expressly authorized to “make gold and silver coin a tender in payment of debts.”<sup>7</sup> This provision authorizes states to recognize gold and silver coin as legal tender for the payment of debts but prohibits states from creating or issuing their own currencies

<sup>2</sup> U.S. Const. art. 1. s. 8. Cl. 5.

<sup>3</sup> The term “legal tender” means “the money (bills and coins) approved in a country for the payment of debts, the purchase of goods, and other exchanges for value.” Garner, B. *Definition of Legal Tender*, Black’s Law Dictionary (12<sup>th</sup> ed. 2024), [LEGAL TENDER | Secondary Sources | FE | Westlaw Edge](#) (last visited Feb. 8, 2026).

<sup>4</sup> 31 U.S.C. s. 5103. The Board of Governors of the Federal Reserve System explains that “[t]his statute means that all U.S. money as identified above is a valid and legal offer of payment for debts when tendered to a creditor.” Board of Governors of the Federal Reserve System, *Is It Legal for a Business in the United States to Refuse Cash as a Form of Payment?* (July 21, 2020) [https://www.federalreserve.gov/faqs/currency\\_12772.htm](https://www.federalreserve.gov/faqs/currency_12772.htm) (last visited Feb. 13, 2026). A business or person may generally refuse legal tender if they do so clearly in advance. *Id.* However, if a debt already exists and does not specify the type of legal tender that must be paid, there may be consequences for refusing to accept legal tender which include, but are not limited to, the debt may be discharged. *See Spurgeon v. Smitha*, 17 N.E. 105, 107 (1888) (holding “where the money is actually produced, and an unconditional offer is made to pay it at once to the creditor, and he refuses to accept it, and asks the debtor to retain it, the sureties are discharged.”).

<sup>5</sup> 31 U.S.C. s. 5103.

<sup>6</sup> 18 U.S.C. s. 486.

<sup>7</sup> U.S. Const. art. 1. s. 10. Cl. 1.

or recognizing other forms of money as tender.<sup>8</sup> The U.S. Supreme Court (Court) held that debts are an obligation to pay money under contract, including judgments and recognizances, but does not include taxes which are "...impost levied by authority of government on its citizens...and it is not founded on contract or agreement."<sup>9</sup> However, the Court also held that a state legislature has the authority to "...require the collection of taxes in kind, that is to say, by the delivery to the proper officers of a certain proportion of products, or in gold and silver bullion, or in gold and silver coin..."<sup>10</sup>

## **Tax Treatment of Specie and Bullion**

### ***Federal Taxation***

At the federal level, gold and silver coins and bullion are classified as "collectibles" under 26 U.S.C. s. 408(m), and gains from their sale are subject to a maximum long-term capital gains tax rate of 28 percent.<sup>11</sup> The Internal Revenue Code defines "collectible" to include any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the Secretary of Treasury.<sup>12</sup> Certain U.S.-minted gold and silver coins are explicitly exempt from being classified as "collectibles."<sup>13</sup>

### ***Florida Taxation***

Florida imposes a tax on the sale, use, consumption, or storage of any coin when such coin:

- Is not legal tender;
- If legal tender, is sold, exchanged, or traded at a rate in excess of its face value; or
- Is sold, exchanged, or traded at a rate based on its precious metal content.<sup>14</sup>

The tax rate is six percent of sale, use, consumption, or storage price. All of the following are exempt from this six percent tax:

- Coin or currency that is legal tender of the U.S.<sup>15</sup>
- Coins or currency of two nations which are in general circulation and are exchanged solely for use as legal tender and at an exchange rate based on the relative value of each as a medium of exchange.<sup>16</sup>
- Transactions in which the taxable amount represented by the sale exceeds \$500, the entire amount represented by the sale of such coins or currency is exempt from the tax.<sup>17</sup>

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

<sup>9</sup> *Lane County v. Oregon*, 74 U.S. 71, 72 (1868); *Hager v. Reclamation Dist. No. 108*, 111 U.S. 701, 706-707 (1884).

<sup>10</sup> *Lane County v. Oregon*, 74 U.S. at 77.

<sup>11</sup> Internal Revenue Service, *Topic no. 49, Capital gains and losses* (January 5, 2026), <https://www.irs.gov/taxtopics/tc409> (last visited Feb. 13, 2026).

<sup>12</sup> 26 U.S.C. s. 408(m)(2)(A)–(D).

<sup>13</sup> 26 U.S.C. s. 408(m)(3)(A).

<sup>14</sup> Section 212.05(1)(j)1., F.S.

<sup>15</sup> Section 212.05(1)(j)2., F.S.

<sup>16</sup> Section 212.05(1)(j)3., F.S.

<sup>17</sup> Section 212.05(1)(j)4., F.S. (providing that the dealer must maintain proper documentation to identify that portion of the transaction that is exempt).

## Florida Law

Last year, the Legislature passed HB 999 (2025), an act relating to legal tender, that was adopted into law in ch. 2025-100, L.O.F., (the “Act”)<sup>18</sup> which has a delayed implementation date of July 1, 2026.<sup>19</sup> The laws recognize gold coin<sup>20</sup> and silver coin<sup>21</sup> as legal tender<sup>22</sup> for the payment of debts<sup>23</sup> and contain the following provisions:

- Gold and silver coin are defined as the solid, pure form of gold or silver in various physical forms.<sup>24</sup>
- The coin must comply with required, discretionary, and prohibited content.<sup>25</sup>
- The use of gold or silver coin for payment is optional.<sup>26</sup>
- Exempts gold and silver coin recognized as legal tender from sales tax.<sup>27</sup>
- Governmental entities may recognize such coin as legal tender for payment of taxes, charges, or dues, and may tender such coin for the payment of debts.<sup>28</sup>

Any governmental entity choosing to accept or tender gold and silver coin may only do so only electronically<sup>29</sup> and must contract with a qualified public depository that can act as a custodian of gold and silver coin.<sup>30</sup>

The Act also established a framework to regulate money services businesses, including custodians<sup>31</sup> who safekeep and store such gold and silver coin, and financial institutions that offer products and services in gold or silver.<sup>32</sup> The regulation of these entities include:

<sup>18</sup> CS/HB 999 (2025), Legal Tender, Ch. 2025-100, L.O.F.,

<sup>19</sup> Chapter 2025-100, s. 19, L.O.F.

<sup>20</sup> Section 215.986(1)(c), F.S., defines “gold coin” as a precious metal with the chemical element of atomic number 79 in solid form, in the shape of rounds, bars, ingots, or bullion coins, which is valued for its metal content and stamped or imprinted with its weight and purity and which solid form of chemical element atomic number 79 consists of at least 99.5 percent purity. The term does not include any goods as defined in s. 672.105(1), such as jewelry, other items of utility, such as picture frames, or collectables.

<sup>21</sup> Section 215.986(1)(f), F.S., defines “silver coin” as a precious metal with the chemical element of atomic number 47 in solid form, in the shape of rounds, bars, ingots, or bullion coins, which is valued for its metal content and is stamped or imprinted with its weight and purity and which solid form of chemical element atomic number 47 consists of at least 99.9 percent purity. The term does not mean any goods as defined in s. 672.105(1), F.S., such as jewelry, other items of utility, such as picture frames, or collectables.

<sup>22</sup> Section 215.986(1)(e), F.S., defines “legal tender” as a medium of exchange recognized by this state pursuant to s. 10, Art. I, of the United States Constitution as a valid and legal offer of payment for debts when tendered to a creditor that agrees to receive such medium of exchange.

<sup>23</sup> Section 215.986(2), F.S.

<sup>24</sup> Section 215.986(1)(c) and (f), F.S.

<sup>25</sup> Section 215.986(2)(b), F.S.

<sup>26</sup> Section 215.986(2)(e), F.S.

<sup>27</sup> Section 212.05(1)(j)2., F.S.

<sup>28</sup> Section 215.986(3), F.S.

<sup>29</sup> *Id.*

<sup>30</sup> Section 215.986(3)(b), F.S.

<sup>31</sup> Section 560.103(13), F.S., defines “custodian of gold coin or silver coin” or “custodian” as any person or entity providing secure vault facilities to one or more persons for the safekeeping and storage of gold coin or silver coin, the ownership of which is or may be transferred electronically as defined in s. 215.986(1), F.S. The term includes any person who holds gold coin or silver coin for more than 10 days. The term does not include a person who holds gold coin or silver coin for personal use as legal tender.

<sup>32</sup> *See* ss. 560.155, 560.214, and 655.97, F.S.

- Custodians of gold and silver coin (vault facilities) must be licensed as money transmitters<sup>33</sup> and meet additional requirements regarding privately insuring deposits, security, recordkeeping, maintaining separate ledger accounts, and other consumer protections.<sup>34</sup>
- Money services businesses that effectuate transactions involving gold or silver coin must meet additional requirements regarding privately insuring deposits, maintaining separate accounts, contracting with a licensed custodian, recordkeeping, and providing consumer disclosures.<sup>35</sup>
- Financial institutions are not required to accept deposits of gold and silver coin and do not incur liability for refusing to offer services related to gold and silver coin. A financial institution that does offer such services must comply with the requirements of a custodian or contract with a licensed custodian and meet additional regulatory requirements that are similar to the requirements for money services businesses.<sup>36</sup>

The Act requires the Department of Financial Services (DFS) and the OFR to adopt rules to implement the act.<sup>37</sup> The Act will be repealed on June 30, 2026, unless reviewed and saved from repeal through reenactment by the Legislature after ratification of the implementing rules adopted by the DFS and the OFR.<sup>38</sup>

### **Other States' Treatment of Specie and Bullion**

Several states have adopted laws to recognize gold and silver as legal tender or to remove various tax barriers to facilitate their use in commerce. These laws vary in scope and effect, ranging from simple tax exemptions to the establishment of state-run bullion depositories.

- Alabama recently passed legislation that recognizes any refined gold or silver bullion, specie, or coin that has been stamped, marked, or imprinted with its weight or purity as legal tender.<sup>39</sup>
- Arkansas law defines specie, in part, as “coin having gold or silver content” and provides that specie and legal tender consists of specie coin issued by the United States Government or other specie that an Arkansas court rules to be within the state’s authority to make legal tender but does not explicitly provide that gold and silver coin are legal tender.<sup>40</sup>
- Arizona has removed state capital gains taxes on sales of precious metals. Like Wyoming, Arizona's approach focuses on tax treatment rather than establishing state-operated depositories or payment systems.<sup>41</sup> For purposes of reducing gross income with any net loss

<sup>33</sup> Section 560.205(2), F.S., provides additional licensing requirements for custodians to include evidence of: 1. Insurance against loss for all gold coin or silver coin held in its custody; 2. Custody of the exact quantity and type of asset for all of its customers’ gold coin or silver coin held in its physical custody; and 3. Depository accreditation from an entity approved by the OFR; and a statement of a business plan providing for the safe and sound operation of custodial services pertaining to the storage, security, insurance, auditing, administration, authorized access, transacting, and transfer of gold coin or silver coin.

<sup>34</sup> Section 560.214, F.S.

<sup>35</sup> Section 560.155, F.S.

<sup>36</sup> Section 655.97, F.S.

<sup>37</sup> Chapter 2025-100 s. 17, L.O.F.

<sup>38</sup> Chapter 2025-100 s. 18, L.O.F.

<sup>39</sup> Alabama Senate Bill 130 (2025), <https://alison.legislature.state.al.us/files/pdf/SearchableInstruments/2025RS/SB130-int.pdf> (last visited Feb. 13, 2026).

<sup>40</sup> AR Code s. 4-56-106.

<sup>41</sup> Ariz. Rev. Stat. s. 43-1021. See also, *Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of

from the exchange of legal tender, Arizona has defined legal tender to include specie which means coins having precious metal content.<sup>42</sup>

- Colorado recognizes gold and silver issued by the U.S. government as legal tender for the payment of all debts contracted on or after April 5, 1893, between citizens of the state.<sup>43</sup>
- Idaho recently passed legislation that provides gold and silver coin and specie minted domestically are legal tender.<sup>44</sup>
- Louisiana recently declared gold or silver coin, specie, or bullion issued by any state or the United States government as legal tender.<sup>45</sup>
- Missouri codified the “Constitutional Money Act” that requires electronic specie currency to be accepted as legal tender for the payment of all public debts and authorizes specie legal tender and electronic specie currency to be accepted as payment for all private debts.<sup>46</sup>
- Oklahoma law provides that gold and silver coin issued by the United State government are legal tender.<sup>47</sup>
- Texas has established a state-operated bullion depository, known as the Texas Bullion Depository, to securely store precious metals for individuals, businesses, and governmental entities. The depository provides secure storage and the ability for account holders to deposit and withdraw physical bullion. Texas recently adopted legislation to recognize gold and silver as legal tender for payment of debts but the laws are effective in phases during 2026 and 2027.<sup>48</sup>
- Utah was the first state to recognize U.S.-minted gold and silver coins as legal tender through its Legal Tender Act of 2011. Utah law also provides a tax exemption for capital gains derived from the sale or exchange of gold and silver coins that are recognized as legal tender. In addition, Utah permits private firms to operate accounts backed by physical, precious metals, which allows individuals to conduct transactions denominated in gold and silver.<sup>49</sup> Utah recently legislation that authorizes the state treasurer to issue a competitive procurement for a precious metals-backed electronic payment platform that would allow state vendors to elect to be paid in gold and silver.<sup>50</sup>
- Wyoming enacted legislation in 2018 declaring gold and silver legal tender and exempting the sale of these metals from state sales and use taxes. Wyoming law also prohibits the

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Financial Services by Guidehouse Inc., p. 102 (February 28, 2025) (on file with the Senate Committee on Banking and Insurance).

<sup>42</sup> AZ Rev. Stat. s. 43.1021.

<sup>43</sup> CO Rev. Stat. s. 11-61-101.

<sup>44</sup> Idaho HB 177 (2025), <https://legislature.idaho.gov/sessioninfo/2025/legislation/h0177/> (last visited Feb. 13, 2026).

<sup>45</sup> LA Rev. Stat. s. 6:341.

<sup>46</sup> MO Rev. Stat. s. 408.010 (providing that “electronic specie currency” is a representation of actual gold and silver, specie, and bullion held in an account, which may be transferred by electronic instruction. Such representation shall reflect the exact unit of physical specie or gold and silver bullion in the account in its fractional troy ounce measurement as provided in this section).

<sup>47</sup> 62 OK Stat. s. 4500.

<sup>48</sup> Tex. Gov’t Code s. 2116; S.B. 483 (2015); H.B. 1056 (2025). *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 116 (February 28, 2025) (on file with the Senate Committee on Banking and Insurance).

<sup>49</sup> Utah Code ss. 59-1-1501 et seq.; H.B. 317 (2011). *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 122 (February 28, 2025) (on file with the Senate Committee on Banking and Insurance).

<sup>50</sup> Utah HB 306 (2025), <https://le.utah.gov/~2025/bills/static/HB0306.html> (last visited Feb. 13, 2026).

treatment of specie as taxable tangible personal property, effectively removing several barriers to the private holding and use of gold and silver for commerce.<sup>51</sup>

Other states, such as Kansas and Indiana, have adopted various forms of tax exemptions related to the sale or exchange of gold and silver bullion, though these laws do not necessarily recognize precious metals as legal tender or create infrastructure to support their use as a medium of exchange.<sup>52</sup> Some states have legislation pending that would recognize gold and silver as legal tender, such as Tennessee,<sup>53</sup> South Carolina,<sup>54</sup> and West Virginia.<sup>55</sup>

While these states have taken steps to encourage the use of gold and silver by removing tax barriers and recognizing their status as lawful money in specific contexts, no state currently operates a fully integrated, government-supported electronic payment system backed by physical precious metals that are recognized for payment of all state taxes, fees, or other obligations. Most existing laws focus on facilitating private holding and exchange of gold and silver, and on removing disincentives such as sales and capital gains taxes, rather than creating comprehensive alternative currency systems.<sup>56</sup>

### **Chief Financial Officer**

Florida law provides that the Chief Financial Officer (CFO) must serve as the state's chief fiscal officer and, amongst other things, is responsible for keeping all state funds.<sup>57</sup> The CFO is tasked with examining, auditing, adjusting, and settling all accounts of any person who may receive moneys of, or owes money to, the state.<sup>58</sup> Florida Statutes grant the CFO several powers to carry out these duties, such as the discretion on how to invest state funds within certain limitations,<sup>59</sup> authority to determine the frequency of certain state employee salary payments,<sup>60</sup> and requirement to report disbursements made.<sup>61</sup>

### ***Qualified Public Depositories***

Unless a specific exemption applies, state and local governments must deposit public funds in a bank or savings association that has been designated as a qualified public depository (QPD)

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<sup>51</sup> Wyo. Stat. ss. 34-29-101 to 34-29-103; SF111 (2018). *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 128 (February 28, 2025) (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as "2025 Bullion Feasibility Study").

<sup>52</sup> *Id.*

<sup>53</sup> TN SB 1813 (2025-2026).

<sup>54</sup> SC H 5115 (2025-2026).

<sup>55</sup> WV SB 413 (2026).

<sup>56</sup> 2025 Bullion Feasibility Study at 14, 20, 22-23.

<sup>57</sup> Fla. Const. art. IV s. 4(c); Section 17.001, F.S.

<sup>58</sup> Section 17.04, F.S.

<sup>59</sup> *See* s. 17.57, F.S.; s. 17.61, F.S.

<sup>60</sup> Section 17.28, F.S.

<sup>61</sup> Section 17.11, F.S.

under the Florida Security for Public Deposits Act.<sup>62</sup> As of December 2025, Florida had 128 authorized QPDs.<sup>63</sup>

To be designated as a QPD by the CFO, a bank, credit union, savings bank, or savings association must:

- Have authority to accept deposits because it has been chartered and regulated by the state or federal government;
- Have its principal place of business in Florida, or a branch office in Florida;
- Have deposit insurance pursuant to the Federal Deposit Insurance Act<sup>64</sup> or the National Credit Union Share Insurance Fund;
- Have procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits;
- Meet all the requirements of ch. 280, F.S., relating to security for public deposits; and
- Refrain from engaging in the unsafe and unsound practice of discriminating against a person in providing services.<sup>65</sup>

Qualified public depositories must secure public deposits with a pledge of eligible collateral, to protect the deposit against losses that could occur in the event of insolvency or default.<sup>66</sup> The amount of collateral that is required is based on statutory guidelines and the QPD's overall financial condition.<sup>67</sup>

Public deposits include, but are not limited to, time deposit accounts, demand deposit accounts, and nonnegotiable certificates of deposits; they do not include moneys in deposit notes, securities, mutual funds, and similar investments.<sup>68</sup>

A bank or savings association must guarantee public depositors against losses caused by the default or insolvency of other QPDs.<sup>69</sup> Any shortfall that is not covered by the maximum federal deposit insurance of \$250,000, the CFO must demand payment under letters of credit or the sale of pledged or deposited collateral by the defaulting depository. The CFO may assess QPDs for the total loss if the demand for payment or sale cannot be accomplished within seven days.<sup>70</sup>

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<sup>62</sup> Sections 280.01 and 280.03(1)(b), F.S. Certain public deposits, including those that are fully collateralized under other laws and moneys contributions to the state retirement system that are held in the System Trust Fund, are exempt pursuant to s. 280.03(3), F.S.

<sup>63</sup> Florida Department of Financial Services, Division of the Treasury, *Currently Designated Qualified Public Depositories*, (Dec. 2025), <https://app.smartsheet.com/b/publish?EQBCT=c300ba31539243d5b8f2198b700d6c5a> (last visited Feb. 13, 2026).

<sup>64</sup> 12 U.S.C. ss. 1811 et. seq.

<sup>65</sup> Section 280.02(26), F.S.

<sup>66</sup> Sections 280.04 and 280.041(6), F.S.

<sup>67</sup> Section 280.04, F.S., and Rule 69C-2.024, F.A.C.

<sup>68</sup> Section 280.02(23), F.S.

<sup>69</sup> Section 280.07, F.S.

<sup>70</sup> Section 280.08, F.S.

## Financial Institutions

### *Dual Oversight of Depository Institutions*

An institution must have a federal or state charter to accept deposits. Banks are chartered and regulated as national banks by the Office of the Comptroller of the Currency within the U.S. Department of the Treasury or as state banks by a state regulator.<sup>71</sup>

The Florida Financial Institutions Codes apply to all state-authorized or state-chartered financial banks, trust companies, credit unions and related entities.<sup>72</sup> The Office of Financial Regulation (OFR) licenses and regulates 196 financial entities, including 57 state-chartered banks.<sup>73</sup> There are at least 25 federally chartered banks operating in Florida.<sup>74</sup>

Due to federal preemptions, a state's regulatory powers in relation to federally chartered institutions is limited. However, the state may exercise powers within their exceptions to exclusive federal visitorial authority. Such exceptions are those recognized by federal law and courts of law or created by the U.S. Congress.<sup>75</sup>

Once a financial institution obtains a charter, one of the regulator's primary tasks is to ensure solvency, which is achieved by conducting financial exams of its licensed entities. Financial institutions also need approval from their regulator to make changes in their upper management, merge with another company, pay dividends to shareholders, engage in material transactions with subsidiaries and affiliates, or make significant changes to their business operations.<sup>76</sup>

Banks chartered by the OFR must become a member of the Federal Reserve or obtain insurance from the Federal Deposit Insurance Corporation.<sup>77</sup> Credit Unions chartered by the OFR must insure their accounts by becoming a member of the National Credit Union Administration.<sup>78</sup> Thus, state-chartered banks and credit unions are subject to a dual-regulatory system.

The OFR must examine the condition of each state-chartered financial institution at least every 18 months, and may conduct more frequent examinations as needed, based on risks associated with a licensee, such as prior examination results or significant operational changes.<sup>79</sup> When a state-chartered financial institution also has a federal regulator, the OFR may accept an

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<sup>71</sup> Congressional Research Service, *Introduction to Financial Services: Banking*, p. 1 (April 1, 2025)

<https://crsreports.congress.gov/product/pdf/IF/IF10035> (last visited Feb. 13, 2026).

<sup>72</sup> Section 655.005(1)(k), F.S., states that the Financial Institutions Codes includes: Ch. 655, financial institutions generally; Ch. 657, credit unions; Ch. 658, banks and trust companies; Ch. 660, trust business; Ch. 662, family trust companies; Ch. 663, international banking; Ch. 665, relating to associations; and Ch. 667, savings banks.

<sup>73</sup> The OFR, *Fast Facts* (2025 ed.), <https://flofr.gov/docs/default-source/documents/fast-facts.pdf> (last visited Feb. 13, 2026) (hereinafter cited as "2025 OFR Fast Facts").

<sup>74</sup> The Office of the Comptroller of Currency, U.S. Department of Treasury, *National Banks Active As of 1/31/2026*, <https://www.occ.gov/topics/charters-and-licensing/financial-institution-lists/national-by-name.pdf> (Feb. 8, 2026).

<sup>75</sup> 12 C.F.R. s. 7.4000 (2011).

<sup>76</sup> For a detailed discussion of the regulatory framework, see Congressional Research Service, *Who Regulates Whom? An Overview of the U.S. Financial Regulatory Framework* (October 13, 2023), <https://www.congress.gov/crs-product/R44918> (last visited Feb. 13, 2026). See also ss. 655.037, 655.0385, 655.0386, 655.03855, and 655.412, F.S.

<sup>77</sup> Sections 658.22 and 658.38, F.S.

<sup>78</sup> Sections 657.005, 657.008, and 657.033, F.S.

<sup>79</sup> Section 655.045(1), F.S.

examination performed by the federal regulator or the regulators may conduct a joint examination.<sup>80</sup>

Financial institutions that become insolvent are liquidated by their primary regulator.<sup>81</sup> Financial institutions must also comply with the Florida Control of Money Laundering and Terrorist Financing in Financial Institutions Act (Act).<sup>82</sup> Such Act requires, amongst other things, for a financial institution to designate and retain a Bank Secrecy Act and Anti-Money Laundering (BSA/AML) compliance officer<sup>83, 84</sup> and keep a record of certain financial transactions which involves monetary instruments greater than \$10,000 which the financial institution believes is suspicious activity.<sup>85</sup> “Monetary instrument” is defined as:

“Coin or currency of the United States or of any other country, travelers’ checks, personal checks, bank checks, money orders, stored value cards, prepaid cards, investment securities or negotiable instruments in bearer form or otherwise in such form that title thereto passes upon delivery, or similar devices.”<sup>86</sup>

### ***Authority of the OFR***

The OFR may impose administrative sanctions on financial institutions subject to the Florida Financial Institutions Codes, such as engaging in an “unsafe or unsound practice.”<sup>87</sup> Possible penalties include: issuance of a cease and desist order,<sup>88</sup> removal of an institution-affiliated party,<sup>89</sup> administrative fines,<sup>90</sup> and a court-ordered injunction to restrain conduct that violates a formal enforcement action.<sup>91</sup> When imposing a sanction or requiring a remedy, the OFR must consider “the appropriateness of the penalty with respect to the size of the financial resources and good faith of the person charged, the gravity of the violation, the history of previous violations, and such other matters as justice may require.”<sup>92</sup>

<sup>80</sup> Section 655.045(1)(a), F.S.

<sup>81</sup> Sections 657.063, 657.064, 658.83, and 660.48, F.S.

<sup>82</sup> Section 655.50, F.S.

<sup>83</sup> Section 655.50(3)(a), F.S., defines “BSA/AML compliance officer” as the financial institution’s officer responsible for the development and implementation of the financial institution’s policies and procedures for complying with the requirements of this section relating to anti-money laundering (AML), and the requirements of the Bank Secrecy Act of 1970 (BSA), Pub. L. No. 91-508, as amended; the USA Patriot Act of 2001, Pub. L. No. 107-56, as amended, and federal state rules and regulations adopted thereunder; and 31 C.F.R. parts 500-598, relating to the regulations of the Office of Foreign Assets Control (OFAC) of the United States Department of Treasury.

<sup>84</sup> Section 655.50(4), F.S.

<sup>85</sup> Section 655.50(5), F.S.

<sup>86</sup> Section 655.50(3)(e), F.S.

<sup>87</sup> Section 655.005(1)(y), F.S., defines “unsafe or unsound practice” means any practice or conduct found by the office to be contrary to generally accepted standards applicable to a financial institution, or a violation of any prior agreement in writing or order of a state or federal regulatory agency, which practice, conduct, or violation creates the likelihood of loss, insolvency, or dissipation of assets or otherwise prejudices the interest of the financial institution or its depositors or members. In making this determination, the office must consider the size and condition of the financial institution, the gravity of the violation, and the prior conduct of the person or institution involved.

<sup>88</sup> Section 655.033, F.S.

<sup>89</sup> Section 655.037, F.S.

<sup>90</sup> Section 655.041, F.S.

<sup>91</sup> Section 655.034, F.S.

<sup>92</sup> Section 655.031(1), F.S.

The OFR may impose monetary fines if a licensee violates a provision of the financial institutions codes or associated rules, an order of the office, or a written agreement with the office.<sup>93</sup> In general, administrative fines may not exceed \$2,500 per day for each violation.<sup>94</sup> Larger fines are allowed in certain circumstances.<sup>95</sup> Criminal violations – like embezzlement and fraud – may be prosecuted under the penal code.<sup>96</sup>

The OFR has authority to monitor state-chartered banks, to ensure compliance with state and federal laws, and may enforce state consumer protection laws on federally chartered banks operating within their boundaries so long as the state law is not pre-empted by federal law.<sup>97</sup> Federal pre-emption permits federally chartered banks and savings associations to operate under a uniform set of rules when they operate across state lines.<sup>98</sup>

### Money Services Businesses

The OFR also has regulatory authority over money services businesses<sup>99</sup> (MSBs) that assist consumers in transacting instruments,<sup>100</sup> transmitting money,<sup>101</sup> cashing checks,<sup>102</sup> and exchanging foreign currency.<sup>103</sup> Examples include check cashers like The Check Cashing Store,<sup>104</sup> money transmitters like PayPal,<sup>105</sup> and exchangers like Florida Currency Exchange.<sup>106</sup> Money services businesses also include “payday lenders” who offer short-term, high-interest loans that are due on the consumer’s next pay day.

<sup>93</sup> Section 655.041, F.S.

<sup>94</sup> Section 655.041(2), F.S.

<sup>95</sup> See Section 655.041(2), F.S.

<sup>96</sup> Section 655.0322, F.S.

<sup>97</sup> 12 U.S.C. 25b.

<sup>98</sup> U.S. Department of the Treasury, Office of the Comptroller of the Currency (OCC), *OCC Chief Counsel’s Interpretation: 12 U.S.S. s. 25b* (Dec. 18, 2020), <https://www.occ.gov/news-issuances/news-releases/2020/nr-occ-2020-176a.pdf> (last visited Feb. 13, 2026).

<sup>99</sup> Section 560.103(22), F.S., defines “money services businesses” 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.

<sup>100</sup> Section 560.103(29), F.S., defines “payment instrument” as a check, draft, warrant, money order, travelers check, electronic instrument, or other instrument used for the transmission, exchange, or payment of currency or monetary value, regardless of whether it is negotiable. The term does not include an instrument that is redeemable by the issuer in merchandise or service, a credit card voucher, or a letter of credit.

<sup>101</sup> Section 560.105, F.S. Section 560.103(23), F.S., defines “money transmitter” as a corporation, limited liability corporation, limited liability partnership, or foreign entity qualified to do business in this state which receives currency, monetary value, a payment instrument, or virtual currency for the purpose of acting as an intermediary to transmit currency, monetary value, a payment instrument, or virtual currency from one person to another location or person by any means, including transmission by wire, facsimile, electronic transfer, courier, the Internet, or through bill payment services or other businesses that facilitate such transfer within this country, or to or from this country.

<sup>102</sup> Section 560.103(6), F.S., defines “check casher” as a person who sells currency in exchange for payment instruments received, except travelers checks.

<sup>103</sup> Section 560.103(17), F.S., defines “foreign currency exchanger” as a person who exchanges, for compensation, currency of the United States or a foreign government to currency of another government.

<sup>104</sup> The Check Cashing Store, *Home*, <https://www.thecheckcashingstore.com/home> (last visited Feb. 13, 2026).

<sup>105</sup> PayPal, *Home*, <https://www.paypal.com/us/digital-wallet> (last visited Feb. 13, 2026).

<sup>106</sup> Florida and Texas Currency Exchange, *Home*, <https://flcurrencyexchange.com/> (last visited Feb. 13, 2026).

### ***Licensing of Money Services Businesses***

MSBs are regulated under two license categories created pursuant to ch. 560, F.S. The first category, money transmitters and persons selling or issuing payment instruments, is regulated under part II of ch. 560, F.S. The second category, check cashers and foreign currency exchangers, is regulated under part III of ch. 560, F.S.

To be licensed under ch. 560, F.S., a money services business applicant must:

- Demonstrate to the OFR the character and general fitness necessary to command the confidence of the public and warrant the belief that the MSB or deferred presentment provider shall be operated lawfully and fairly;
- Be legally authorized to do business in Florida;
- Be registered as a MSB with the Financial Crimes Enforcement Network, if applicable;<sup>107</sup>
- Have an anti-money laundering program in compliance with federal law,<sup>108</sup> and
- Provide the OFR with all the information required under ch. 560, F.S., and related rules.<sup>109</sup>

To apply as a money services business a person must submit:

- An application to the OFR for an MSB license that must include, on a form prescribed by rule, specified information and documents, such as:
  - The legal name and address of the applicant;
  - The date of the applicant's formation and the state where the applicant was formed;
  - The name, specified identification number, business and residence addresses, and employment history for the past five years for each control person;
  - A description of the organizational structure of the applicant;
  - A description of the money services business activities the applicant proposes to conduct;
  - The location at which the applicant proposes to establish its principal place of business and any other location.<sup>110</sup>
- A nonrefundable application fee.<sup>111, 112</sup>
- Fingerprints for live-scan processing in accordance with rules adopted by the Financial Services Commission (Commission), for each control person.<sup>113</sup>
- A copy of the applicant's written anti-money laundering program.<sup>114, 115</sup>
- Within the time allotted by rule, any information needed to resolve any deficiencies found in the application.<sup>116</sup>

Licenses issued to MSBs cannot be for more than two years,<sup>117</sup> after which, the money services business must reapply for licensure. Once licensed, an MSB is required to report any change in

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<sup>107</sup> See 31 C.F.R. s. 1022.380.

<sup>108</sup> See 31 C.F.R. s. 1022.210.

<sup>109</sup> Section 560.1401, F.S.

<sup>110</sup> Section 560.141(1)(a), F.S.

<sup>111</sup> Section 560.143, F.S.

<sup>112</sup> Section 560.141(1)(b), F.S.

<sup>113</sup> Section 560.141(1)(c), F.S.

<sup>114</sup> *Supra* note 68.

<sup>115</sup> Section 560.141(1)(d), F.S.

<sup>116</sup> Section 560.141(1)(e), F.S.

<sup>117</sup> Section 560.141(2), F.S.

control persons.<sup>118</sup> A change of control application must be accompanied by the payment of an initial licensing fee<sup>119</sup> and a fee per branch or authorized vendor,<sup>120</sup> up to a maximum of \$20,000.<sup>121</sup>

Administrative sanctions for money services businesses may include issuance of a Cease and Desist Order, removal of an Institution-Affiliated Party, suspension or revocation of a license, an injunction, or a fine of at least \$1,000 but not more than \$10,000 for each violation.<sup>122</sup> Money laundering may be prosecuted under state or federal law.<sup>123</sup>

### ***Money Transmitters***

A person is prohibited from engaging in money transmitter activity for compensation without first obtaining a license.<sup>124</sup> Money transmitters are subject to additional licensing requirements, if applicable, including:

- A sample authorized vendor<sup>125</sup> contract.<sup>126</sup>
- Documents demonstrating that the net worth and bonding requirements have been fulfilled.
- A copy of the applicant's financial audit for the most recent fiscal year.<sup>127</sup>

A licensed money transmitter is authorized to conduct its business at one or more locations within Florida through branches or by means of authorized vendors and may charge a different price for a money transmitter service based on the mode of transmission provided a customer is not charged more for service that is paid by credit card. A money transmitter is required to:

- Place assets that are a customer's property in a segregated account in a federally insured financial institution and maintain separate accounts for operating capital and the clearing of customer funds.
- Ensure currency or monetary value is available to the recipient within 10 business days after receipt.
- Provide a confirmation or sequence number to the customer upon receipt of currency or monetary value.<sup>128</sup>

Licensed money transmitters are required to have a net worth of at least \$100,000 or more if the licensee operates more than one location. Such licensee must obtain an annual financial audit report that has to be submitted to the OFR within a specified time. Obtaining a license is

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<sup>118</sup> Section 560.126(3), F.S.

<sup>119</sup> Fees are determined by whether the MSB is licensed under Part II or Part III of Chapter 560. Initial licensing fees under Part II licenses require a \$375 license application fee per s. 560.143(1)(a), F.S. Part III licenses require a \$188 license application fee per s. 560.143(b), F.S.

<sup>120</sup> Section 560.143(1)(c) and (d), F.S., provides that both the per branch fee and the authorized vendor fee are \$38.

<sup>121</sup> Section 560.143(1)(g), F.S.

<sup>122</sup> Sections 560.114 and 560.113, F.S.

<sup>123</sup> Sections 560.111 and 560.123, F.S.

<sup>124</sup> Section 560.204, F.S.

<sup>125</sup> Section 560.103(3), F.S., defines "authorized vendor" as a person designated by a money services business licensed under part II of ch. 560, F.S., to act on behalf of the licensee at locations in Florida pursuant to a written contract with the licensee.

<sup>126</sup> Section 560.203, F.S. (providing any authorized vendors of a licensee acting within the scope of authority conferred by the licensee are exempt from licensure but remain subject to the provisions of ch. 560, F.S.).

<sup>127</sup> Section 560.205, F.S.

<sup>128</sup> Section 560.208, F.S.

contingent on the applicant providing proof to the OFR of a corporate surety bond that may not be less than \$50,000 or exceed two million dollars.<sup>129</sup> A licensed money transmitter must possess permissible investments with an aggregate market value of at least the aggregate face amount of all outstanding money transmissions and payment instruments issued or sold by the licensee or an authorized vendor.<sup>130</sup> Money transmitters must also comply with record retention requirements.<sup>131</sup>

The OFR reports that there was a total of 314 money transmitters licensed by the OFR as of January 2026.<sup>132</sup>

### III. Effect of Proposed Changes:

SB 1588 modifies ch. 2025-100, L.O.F., that was adopted during the 2025 Regular Session to recognize gold and silver as legal tender.

**Section 1** saves ch. 2025-100, L.O.F., from repeal by repealing the sunset clause that expires on June 30, 2026, unless the act is reenacted.

**Section 2** amends s. 215.986, F.S., to modify the definitions of “gold coin” and “silver coin” to clarify that the purity requirement applies to the entire coin or item as a single unit and not to any isolated component or embedded portion of the gold or silver. The term does not include items that incorporate gold or silver within nonmetal substrates, such as polymer, plastic, paper, or other composite materials, regardless of the gold or silver component.

The bill restricts any marks indicating the face value of a coin in the official currency of any government, a country’s name on the coin, or phrases implying governmental issuance or that the coin was minted by a government mint.

The bill authorizes artistic or decorative designs, such as images of animals, historical figures, or patterns, to be marked on the coin if they are integral to the coin’s surface and do not imply governmental issuance, provided the coin otherwise meets the requirements for legal tender.

**Section 3** amends s. 560.103, F.S., to modify the definition of “custodian of gold coin or silver coin” to apply only to transactional gold or silver that is “intended to be capable of electronic transfer.” The term “transactional gold and silver” is defined as gold or silver held by a third party which is intended to be used, transferred, or exchanged as legal tender in a commercial or financial transaction through electronic or digital means. The term does not include an individual or entity that holds gold or silver that is not intended to be used as legal tender.

The bill removes “gold coin” and “silver coin” from services offered by a “foreign currency exchanger.” The bill also removes a “custodian of gold coin or silver coin” from the types of

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<sup>129</sup> Section 560.209, F.S.

<sup>130</sup> Section 560.210(1), F.S. (providing permissible investments include, for instance, cash, certificates of deposit, or shares in a money market mutual fund).

<sup>131</sup> Section 560.211, F.S.

<sup>132</sup> The OFR, *2026 Agency Legislative Bill Analysis for SB 1588* (Feb. 5, 2026), p. 2, (on file with the Senate Committee on Banking and Insurance).

services offered by a money services business. This removes the Office of Financial Regulation's (OFR) direct regulatory authority of custodians that safekeep and store gold and silver coin.

**Section 4** amends s. 560.109, F.S., to revise the requirement that the OFR must examine a custodian at least annually to instead require the OFR to annually examine a money services business that transmits gold or silver coin.

**Section 5** amends s. 560.141, F.S., to remove the requirement that the OFR must conduct an examination of a proposed custodian's vault before issuing a license to determine the applicant's ability to conduct business immediately upon opening for business.

**Section 6** amends s. 560.155, F.S., to limit the money services business requirements for offering products or services in gold or silver coin to apply only to transmission of such coin, and removes storing, exchanging, or accepting payment as types of services that require compliance with the requirements.<sup>133</sup>

The bill requires a licensee that relies on a custodian's insurance to independently verify the insurance coverage is current and active.

**Section 7** amends s. 560.205, F.S., to remove the additional license application requirements for custodians, and requires evidence, as prescribed by rule, of an applicant's compliance with certain money services business requirements for transmission of gold or silver coin<sup>134</sup> if the applicant intends to offer such services.

**Section 8** repeals section 560.214, F.S., relating to custodian requirements that were adopted in ch. 2025-100, L.O.F.<sup>135</sup> This eliminates statutory standards adopted to protect consumers assets that are held by custodians in vault facilities. The deleted standards are related to security against theft, accurate recordkeeping and accounting, safeguards against misappropriation of deposits, disclosures and quarterly statements to consumers, and returning gold to its owners upon request.

**Sections 9, 10, and 11** amends ss. 280.21, 559.952, 655.97, F.S., to conform to changes made as a result of s. 560.214, F.S., being repealed in Section 8 of the bill.

**Section 12** 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.

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<sup>133</sup> *Supra* note 111.

<sup>134</sup> *Supra* note 109.

<sup>135</sup> *Supra* note 110.

**C. Trust Funds Restrictions:**

None.

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

None.

**E. Other Constitutional Issues:**

While the U.S. Constitution authorizes states to make gold and silver coin legal tender for a payment of debt, gold coin or silver coin are not defined. The definitions established in the bill for these terms are broad and a federal court may interpret the meaning of these terms, and therefore the scope of a state's authority to make such coin legal tender, to be narrower than provided in the bill.

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

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

The bill has an indeterminate fiscal impact on the state revenue expenditures.

**VI. Technical Deficiencies:**

The Office of Financial Regulation (OFR) reports that the agency is unsure how to determine whether any of the following conditions in the definition of "custodian of gold coin or silver coin" have been met:

- Ownership of gold coin and/or silver coin is/is not intended to be capable of electronic transfer for legal tender as defined in s. 215.986(1), F.S. (Lines 96-99).
- A person or entity holding gold coin and/or silver coin is/is not intending to use the gold coin and/or silver coin as legal tender. (Lines 101-104).
- The gold or silver held by a third party is/is not intended to be used, transferred, or exchanged as legal tender in a commercial or financial transaction through electronic or digital media. (Lines 104-108).<sup>136</sup>

**VII. Related Issues:**

None.

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<sup>136</sup> The OFR, *2026 Agency Legislative Bill Analysis for SB 1588* (Feb. 5, 2026), p. 5, (on file with the Senate Committee on Banking and Insurance)

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 215.986, 560.103, 560.109, 560.141, 560.155, 560.205, 560.214, 280.21, 559.952, 655.97 and 2025-100.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

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

None.

**B. Amendments:**

None.

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

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By Senator Gruters

22-01292A-26

20261588\_\_

1 A bill to be entitled  
 2 An act relating to legal tender; repealing s. 18 of  
 3 chapter 2025-100, Laws of Florida; amending s.  
 4 215.986, F.S.; revising the definitions of the terms  
 5 "gold coin" and "silver coin"; revising requirements  
 6 for gold coin and silver coin recognized as legal  
 7 tender; amending s. 560.103, F.S.; revising  
 8 definitions; defining the term "transactional gold or  
 9 silver"; amending s. 560.109, F.S.; specifying that  
 10 money services businesses that transmit gold coin or  
 11 silver coin, rather than custodians of gold coin or  
 12 silver coin, must be examined at specified intervals;  
 13 amending s. 560.141, F.S.; deleting a provision  
 14 regarding examination of certain applicants; amending  
 15 s. 560.155, F.S.; revising prohibitions relating to  
 16 money services businesses; revising the requirements  
 17 for money services businesses that transmit gold coin  
 18 or silver coin; amending s. 560.205, F.S.; revising  
 19 license application requirements for certain  
 20 applicants; repealing s. 560.214, F.S., relating to  
 21 custodians of gold coin or silver coin; amending ss.  
 22 280.21, 559.952, and 655.97, F.S.; conforming  
 23 provisions to changes made by the act; providing an  
 24 effective date.

25  
 26 Be It Enacted by the Legislature of the State of Florida:

27  
 28 Section 1. Section 18 of chapter 2025-100, Laws of Florida,  
 29 is repealed.

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

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30 Section 2. Paragraphs (c) and (f) of subsection (1) and  
 31 paragraph (a) of subsection (2) of section 215.986, Florida  
 32 Statutes, are amended to read:  
 33 215.986 Gold and silver coin as legal tender.—  
 34 (1) DEFINITIONS.—As used in this section, the term:  
 35 (c) "Gold coin" means a precious metal with the chemical  
 36 element of atomic number 79 in solid form, in the shape of  
 37 rounds, bars, ingots, or bullion coins, which is valued for its  
 38 metal content and stamped or imprinted with its weight and  
 39 purity and which solid form of chemical element atomic number 79  
 40 consists of at least 99.5 percent purity. The purity requirement  
 41 applies to the entire coin or item as a single unit and not to  
 42 any isolated component or embedded portion of the gold. The term  
 43 does not include items that incorporate gold within nonmetal  
 44 substrates, including, but not limited to, polymer, plastic,  
 45 paper, or other composite materials, regardless of the purity of  
 46 the gold component. The term also does not include any goods as  
 47 defined in s. 672.105(1), such as jewelry; other items of  
 48 utility, such as picture frames; or collectibles.  
 49 (f) "Silver coin" means a precious metal with the chemical  
 50 element of atomic number 47 in solid form, in the shape of  
 51 rounds, bars, ingots, or bullion coins, which is valued for its  
 52 metal content and is stamped or imprinted with its weight and  
 53 purity and which solid form of chemical element atomic number 47  
 54 consists of at least 99.9 percent purity. The purity requirement  
 55 applies to the entire coin or item as a single unit and not to  
 56 any isolated component or embedded portion of the silver. The  
 57 term does not include items that incorporate silver within  
 58 nonmetal substrates, including, but not limited to, polymer,

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

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59 plastic, paper, or other composite materials, regardless of the  
 60 purity of the silver component. The term also does not mean any  
 61 goods as defined in s. 672.105(1), such as jewelry; other items  
 62 of utility, such as picture frames; or collectibles.

63 (2) LEGAL TENDER.—Gold coin and silver coin that meet the  
 64 requirements of this section are recognized as legal tender by  
 65 this state for the payment of debts incurred on or after July 1,  
 66 2026.

67 (a) Gold coin or silver coin recognized as legal tender in  
 68 this section may not be imprinted, stamped, or otherwise marked  
 69 with any name, symbol, or other information or design,  
 70 indicating the face value of the coin in the official currency  
 71 of any government, or with a country's name on the coin or  
 72 phrases implying governmental issuance or that the coin was  
 73 minted by a government mint. including, but not limited to, any  
 74 suggestion that such coin has been minted or issued by any  
 75 government. Except as prohibited in this paragraph, the ~~that~~  
 76 ~~such~~ coin must be imprinted, stamped, or otherwise marked with  
 77 the coin's weight and purity and may be imprinted, stamped, or  
 78 otherwise marked with the name or symbol that identifies any  
 79 refiner or mint of the gold coin or silver coin. Additional  
 80 artistic or decorative designs, such as images of animals,  
 81 historical figures, or patterns, are permitted if they are  
 82 integral to the coin's surface and do not imply governmental  
 83 issuance as provided in this paragraph, and if the coin  
 84 otherwise meets the purity and form requirements in subsection  
 85 (1). A gold coin or silver coin that does not meet the  
 86 requirements of this paragraph is not recognized as legal tender  
 87 for the payment of debts in this state.

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

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88 Section 3. Subsections (13), (19), and (26) of section  
 89 560.103, Florida Statutes, as amended by chapter 2025-100, Laws  
 90 of Florida, are amended to read:

91 560.103 Definitions.—As used in this chapter, the term:

92 (13) "Custodian of gold coin or silver coin" or  
 93 "custodian," as used for purposes of transactional gold or  
 94 silver, means any person or entity providing secure vault  
 95 facilities to one or more persons for the safekeeping and  
 96 storage of gold coin or silver coin, the ownership of which is  
 97 intended to be capable of electronic transfer ~~or may be~~  
 98 ~~transferred electronically~~ as defined in s. 215.986(1) for legal  
 99 tender as defined in s. 215.986(1). The term includes any person  
 100 who holds gold coin or silver coin for more than 10 days. The  
 101 term does not include a person who holds gold coin or silver  
 102 coin for personal use as legal tender or an individual or entity  
 103 that holds gold or silver that is not intended to be used as  
 104 legal tender. For purposes of this subsection, the term  
 105 "transactional gold or silver" means gold or silver held by a  
 106 third party which is intended to be used, transferred, or  
 107 exchanged as legal tender in a commercial or financial  
 108 transaction through electronic or digital means.

109 (19) "Foreign currency exchanger" means a person who  
 110 exchanges, for compensation, currency of the United States or a  
 111 foreign government, ~~gold coin, or silver coin~~ to currency of  
 112 another government.

113 (26) "Money transmitter" means a corporation, limited  
 114 liability company, limited liability partnership, or foreign  
 115 entity qualified to do business in this state which  
 116 ~~(a)~~ receives currency, monetary value, a payment

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117 instrument, gold coin, silver coin, or virtual currency for the  
 118 purpose of acting as an intermediary to transmit currency,  
 119 monetary value, a payment instrument, gold coin, silver coin, or  
 120 virtual currency from one person to another location or person  
 121 by any means, including transmission by wire, facsimile,  
 122 electronic transfer, courier, the Internet, or through bill  
 123 payment services or other businesses that facilitate such  
 124 transfer within this country, or to or from this country. The  
 125 term includes only an intermediary that has the ability to  
 126 unilaterally execute or indefinitely prevent a transaction; ~~or~~

127 ~~(b) Acts as a custodian of gold coin or silver coin.~~

128 Section 4. Subsection (1) of section 560.109, Florida  
 129 Statutes, as amended by chapter 2025-100, Laws of Florida, is  
 130 amended to read:

131 560.109 Examinations and investigations.—The office may  
 132 conduct examinations and investigations, within or outside this  
 133 state to determine whether a person has violated any provision  
 134 of this chapter and related rules, or of any practice or conduct  
 135 that creates the likelihood of material loss, insolvency, or  
 136 dissipation of the assets of a money services business or  
 137 otherwise materially prejudices the interests of their  
 138 customers.

139 (1) The office may, without advance notice, examine or  
 140 investigate each licensee as often as is warranted for the  
 141 protection of customers and in the public interest. However, the  
 142 office must examine each licensee at least once every 5 years,  
 143 except that a money services business that transmits ~~custodian~~  
 144 ~~of gold coin or silver coin~~ must be examined at least annually.  
 145 The office may, without advance notice, examine or investigate a

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146 money services business, authorized vendor, affiliated party, or  
 147 license applicant at any time if the office suspects that the  
 148 money services business, authorized vendor, affiliated party, or  
 149 license applicant has violated or is about to violate any  
 150 provision of this chapter or any criminal law of this state or  
 151 of the United States.

152 Section 5. Subsection (3) of section 560.141, Florida  
 153 Statutes, as amended by chapter 2025-100, Laws of Florida, is  
 154 amended to read:

155 560.141 License application.—

156 ~~(3) The office shall conduct an examination of the~~  
 157 ~~applicant, including, but not limited to, the custodian's vault~~  
 158 ~~facilities, before issuing a license to determine the~~  
 159 ~~applicant's ability to conduct business immediately upon opening~~  
 160 ~~for business.~~

161 Section 6. Subsection (1) of section 560.155, Florida  
 162 Statutes, as amended by chapter 2025-100, Laws of Florida, is  
 163 amended to read:

164 560.155 Gold and silver coin as legal tender.—

165 (1) A money services business may not be required to  
 166 transmit ~~offer products or services, including, but not limited~~  
 167 ~~to, transmitting, storing, exchanging, or accepting payment in~~  
 168 gold coin or silver coin. To the extent that a money services  
 169 business offers such transmissions ~~products or services~~, the  
 170 money services business must do all of the following, as  
 171 applicable:

172 (a) ~~Except as provided in s. 560.214,~~ Maintain separate  
 173 accounts for any gold coin or silver coin and not commingle such  
 174 gold coin or silver coin with any other accounts that hold coin

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175 or currency of the United States or of another country.

176 (b) Insure the gold coin or silver coin, if not otherwise  
 177 insured by ~~a an independent~~ custodian of gold coin or silver  
 178 coin ~~pursuant to s. 560.214(1)(i)~~, for 100 percent of the full  
 179 replacement value under an all-risk insurance policy issued by a  
 180 nongovernmental operated insurer that is an authorized insurer  
 181 or eligible surplus lines insurer. A licensee relying on  
 182 insurance provided by the custodian must independently verify  
 183 the insurance coverage is current and active.

184 (c) Securely store and safeguard all physical gold coin or  
 185 silver coin with a custodian of gold coin or silver coin within  
 186 this state.

187 (d) Ensure that any gold coin or silver coin that is  
 188 purchased for use or circulation as legal tender is from an  
 189 accredited refiner or wholesaler as prescribed by commission  
 190 rule which certifies that the gold coin or silver coin being  
 191 purchased meets the requirements of gold coin and silver coin.

192 (e) Make disclosures to a customer at the inception of the  
 193 relationship for providing products or services relating to gold  
 194 coin or silver coin before a customer initially purchases or  
 195 uses a money services business product or service relating to  
 196 such coin, prescribed on a form adopted by the commission. The  
 197 commission must adopt rules to prescribe the general form of  
 198 such disclosures. Such disclosures must include, at a minimum,  
 199 all of the following:

200 1. Notice that the value of gold coin or silver coin will  
 201 fluctuate over time and that such customer should seek  
 202 professional advice about whether transacting in gold coin or  
 203 silver coin may incur a federal capital gains tax.

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204 2. Notice of potential fees that may be incurred for  
 205 converting gold coin or silver coin to United States dollars or  
 206 other currency, or any other transaction fees that may be  
 207 incurred which can be incorporated by referencing the company's  
 208 terms and conditions.

209 3. Any additional disclosures the commission deems  
 210 necessary for the protection of any person or entity that  
 211 tenders or accepts gold coin or silver coin for the payment of  
 212 debts, taxes, charges, or dues.

213 (f) Provide transparent contracts, products, services,  
 214 storage terms, and fees, including, but not limited to,  
 215 purchase, sale, conversion, storage, delivery, transaction, or  
 216 other fees. The spot rate at which any gold coin or silver coin  
 217 is converted must be disclosed at the time that the gold coin or  
 218 silver coin is converted.

219 (g) Comply with chain of custody requirements, as  
 220 prescribed by commission rule.

221 (h) Comply with all other applicable state and federal laws  
 222 and regulations.

223 Section 7. Section 560.205, Florida Statutes, as amended by  
 224 chapter 2025-100, Laws of Florida, is amended to read:

225 560.205 Additional license application requirements.—In  
 226 addition to the license application requirements under part I of  
 227 this chapter, an applicant seeking a license under this part  
 228 must also submit all of the following information ~~any~~  
 229 ~~information required to be submitted by each applicant under the~~  
 230 ~~relevant subsection~~ to the office:—

231 (1) ~~Any applicant seeking to operate as a payment~~  
 232 ~~instrument seller or money transmitter must provide all of the~~

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233 ~~following information to the office:~~

234 ~~(a)~~ A sample authorized vendor contract, if applicable.

235 ~~(2)(b)~~ A sample form of payment instrument, if applicable.

236 ~~(3)(c)~~ Documents demonstrating that the net worth and

237 bonding requirements specified in s. 560.209 have been

238 fulfilled.

239 ~~(4)(d)~~ A copy of the applicant's financial audit report for  
240 the most recent fiscal year. If the applicant is a wholly owned  
241 subsidiary of another corporation, the financial audit report on  
242 the parent corporation's financial statements satisfies this  
243 requirement.

244 ~~(2) Any applicant seeking to operate as a money transmitter~~  
245 ~~that is a custodian of gold coin or silver coin must also~~  
246 ~~provide all of the following additional information to the~~  
247 ~~office:~~

248 ~~(a) All requirements specified in subsection (1).~~

249 ~~(5)(b) Evidence, as prescribed by commission rule,~~  
250 ~~demonstrating an applicant's compliance with s. 560.155(1)(a)-~~

251 ~~(g), if such applicant intends to act as a money transmitter~~  
252 ~~that transmits gold coin or silver coin of:~~

253 ~~1. Insurance against loss for all gold coin or silver coin~~  
254 ~~held in its custody;~~

255 ~~2. Custody of the exact quantity and type of asset for all~~  
256 ~~of its customers' gold coin or silver coin held in its physical~~  
257 ~~custody; and~~

258 ~~3. Depository accreditation from an entity approved by the~~  
259 ~~office.~~

260 ~~(c) A statement of a business plan providing for the safe~~  
261 ~~and sound operation of custodial services pertaining to the~~

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262 ~~storage, security, insurance, auditing, administration,~~  
263 ~~authorized access, transacting, and transfer of gold coin or~~  
264 ~~silver coin to the satisfaction of the office or in accordance~~  
265 ~~with rules adopted by the commission.~~

266 Section 8. Section 560.214, Florida Statutes, is repealed.

267 Section 9. Paragraph (a) of subsection (1) of section  
268 280.21, Florida Statutes, is amended to read:

269 280.21 Custodians of gold coin and silver coin.—

270 (1) A custodian of gold coin or silver coin as defined in  
271 s. 560.103 which holds public deposits must do all of the  
272 following:

273 (a) Meet the definition of a qualified public depository as  
274 defined in s. 280.02, except that such custodian is not required  
275 to be insured by the Federal Deposit Insurance Corporation or  
276 the National Credit Union Share Insurance Fund for purposes of  
277 holding gold coin or silver coin as defined in s. 215.986. ~~Such~~  
278 ~~custodian must maintain insurance as prescribed in s. 560.214.~~

279 Section 10. Paragraph (a) of subsection (4) of section  
280 559.952, Florida Statutes, as amended by chapter 2025-100, Laws  
281 of Florida, is amended to read:

282 559.952 Financial Technology Sandbox.—

283 (4) EXCEPTIONS TO GENERAL LAW AND WAIVERS OF RULE  
284 REQUIREMENTS.—

285 (a) Notwithstanding any other law, upon approval of a  
286 Financial Technology Sandbox application, the following  
287 provisions and corresponding rule requirements are not  
288 applicable to the licensee during the sandbox period:

289 1. Section 516.03(1), except for the application fee, the  
290 investigation fee, the requirement to provide the social

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291 security numbers of control persons, evidence of liquid assets  
 292 of at least \$25,000 or documents satisfying the requirements of  
 293 s. 516.05(10), and the office's authority to investigate the  
 294 applicant's background. The office may prorate the license  
 295 renewal fee for an extension granted under subsection (7).  
 296 2. Section 516.05(1) and (2), except that the office shall  
 297 investigate the applicant's background.  
 298 3. Section 560.109, only to the extent that the section  
 299 requires the office to examine a licensee at least once every 5  
 300 years.  
 301 4. Section 560.118(2).  
 302 5. Section 560.125(1), only to the extent that the  
 303 subsection would prohibit a licensee from engaging in the  
 304 business of a money transmitter or payment instrument seller  
 305 during the sandbox period.  
 306 6. Section 560.125(2), only to the extent that the  
 307 subsection would prohibit a licensee from appointing an  
 308 authorized vendor during the sandbox period. Any authorized  
 309 vendor of such a licensee during the sandbox period remains  
 310 liable to the holder or remitter.  
 311 7. Section 560.128.  
 312 8. Section 560.141, except for s. 560.141(1)(a)1., 3., 7.-  
 313 10. and (b), (c), and (d).  
 314 9. Section 560.142(1) and (2), except that the office may  
 315 prorate, but may not entirely eliminate, the license renewal  
 316 fees in s. 560.143 for an extension granted under subsection  
 317 (7).  
 318 10. Section 560.143(2), only to the extent necessary for  
 319 proration of the renewal fee under subparagraph 9.

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320 11. Section 560.204(1), only to the extent that the  
 321 subsection would prohibit a licensee from engaging in, or  
 322 advertising that it engages in, the activity of a payment  
 323 instrument seller or money transmitter during the sandbox  
 324 period.  
 325 12. Section 560.205(2) ~~Section 560.205(1)(b)~~.  
 326 13. Section 560.208(2).  
 327 14. Section 560.209, only to the extent that the office may  
 328 modify, but may not entirely eliminate, the net worth, corporate  
 329 surety bond, and collateral deposit amounts required under that  
 330 section. The modified amounts must be in such lower amounts that  
 331 the office determines to be commensurate with the factors under  
 332 paragraph (5)(c) and the maximum number of consumers authorized  
 333 to receive the financial product or service under this section.  
 334 Section 11. Paragraphs (a), (b), and (d) of subsection (4)  
 335 of section 655.97, Florida Statutes, are amended to read:  
 336 655.97 Gold and silver coin as legal tender.—  
 337 (4) To the extent that a financial institution accepts gold  
 338 coin or silver coin deposits or otherwise holds such coin on  
 339 behalf of its customers, members, or the public, the financial  
 340 institution must do all of the following:  
 341 (a) ~~Except as provided in s. 560.214,~~ Maintain separate  
 342 accounts for any gold coin or silver coin and not commingle such  
 343 gold coin or silver coin with any other accounts that hold coin  
 344 or currency of the United States or of another country.  
 345 (b) Insure the gold coin or silver coin, if not otherwise  
 346 insured by a custodian of gold coin or silver coin ~~pursuant to~~  
 347 ~~s. 560.214(1)(i)~~, for 100 percent of the full replacement value  
 348 under an all-risk insurance policy issued by a nongovernmental-

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349 operated insurer that is an authorized insurer or an eligible  
350 surplus lines insurer.

351 ~~(d) Comply, or be responsible and accountable for any~~  
352 ~~third party vendor that stores such gold coin or silver coin on~~  
353 ~~its behalf to comply, with the requirements for a custodian of~~  
354 ~~gold coin or silver coin as provided in s. 560.214. A financial~~  
355 ~~institution regulated under the financial institutions code of~~  
356 ~~this state which acts as a custodian is exempt from obtaining a~~  
357 ~~separate license as a custodian pursuant to s. 560.204(1).~~

358 Section 12. 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.)

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Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

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BILL: CS/CS/SB 1614

INTRODUCER: Appropriations Committee on Agriculture, Environment, and General Government and Community Affairs Committee and Senator Leek

SUBJECT: Florida Building Code

DATE: February 20, 2026      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Tolmich</u>	<u>Fleming</u>	<u>CA</u>	<u>Fav/CS</u>
2.	<u>Davis</u>	<u>Betta</u>	<u>AEG</u>	<u>Fav/CS</u>
3.	<u>                    </u>	<u>                    </u>	<u>AP</u>	<u>                    </u>

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/CS/SB 1614 provides that a local governmental entity is not eligible to receive state funds through a local funding initiative request if such entity was subject to an audit directed by the Joint Legislative Auditing Committee (JLAC) within the one-year period preceding the date of the submission of such request. However, a local governmental entity that was subject to such an audit may be eligible to receive such funds upon submitting with its funding request an affirmation stating that it is no longer the subject of such audit. The bill requires JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

The bill also removes a current provision of law that authorizes a local government to use excess funds received from enforcing the Florida Building Code for the construction of a building or structure that houses a local government's building code enforcement agency.

The bill has an indeterminate fiscal impact to state and local governments. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

## II. Present Situation:

### Joint Legislative Auditing Committee

The Joint Legislative Auditing Committee (JLAC) is established by the Joint Rules of the Florida Legislature<sup>1</sup> and its membership consists of between five and seven members appointed from each house.<sup>2</sup> The responsibilities of JLAC are broad and affect all areas of government in Florida and are designed to provide continuous oversight of government operations.<sup>3</sup>

Current law provides that JLAC may investigate any matter within the scope of an audit, review, or examination either completed or conducted by the Auditor General or the Office of Program Policy Analysis and Government accountability, and, in connection with such investigation, may exercise the powers of subpoena by law vested in a standing committee of the Legislature.<sup>4</sup>

Following a certain notification<sup>5</sup> of the failure of a local governmental entity, district school board, charter school, or charter technical career center to comply with certain applicable laws,<sup>6</sup> JLAC may schedule a hearing to determine if the entity should be subject to further state action.<sup>7</sup>

### The Florida Building Code

In 1974, Florida adopted legislation requiring all local governments to adopt and enforce a minimum building code that would ensure that Florida's minimum standards were met. Local governments could choose from four separate model codes. The state's role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes, as they desired.<sup>8</sup>

In 1992, Hurricane Andrew demonstrated that Florida's system of local codes did not work. Hurricane Andrew easily destroyed those structures that were allegedly built according to the strongest code. The Governor eventually appointed a study commission to review the system of local codes and make recommendations for modernizing the system. The 1998 Legislature adopted the study's commission recommendations for a single state building code and enhanced the oversight role of the state over local code enforcement. The 2000 Legislature authorized implementation of the Florida Building Code (Building Code), and that first edition replaced all local codes on March 1, 2002.<sup>9</sup> The current edition of the Building Code is the eighth edition, which is referred to as the 2023 Florida Building Code.<sup>10</sup>

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<sup>1</sup> See Joint Rule 4, Florida Legislature, (2024-2026).

<sup>2</sup> Joint Rule 4.1(3), Florida Legislature, (2024-2026).

<sup>3</sup> Online Sunshine, *Joint Legislative Auditing Committee*, available at: [https://www.leg.state.fl.us/cgi-bin/View\\_Page.pl?File=about.cfm&Directory=committees/joint/Jcla/&Tab=committees](https://www.leg.state.fl.us/cgi-bin/View_Page.pl?File=about.cfm&Directory=committees/joint/Jcla/&Tab=committees) (last visited February 18, 2026).

<sup>4</sup> Section 11.40(1), F.S.

<sup>5</sup> Such notification may be made by the Auditor General, Department of Financial Services, the Division of Bond Finance of the State Board of Administration, the Governor (or his or her designee), or the Commissioner of Education (or his or her designee). Section 11.40(2), F.S.

<sup>6</sup> See ss. 11.45(5)-(7), 218.32(1), 218.38, and 218.503(3), F.S.

<sup>7</sup> Section 11.40(2), F.S.

<sup>8</sup> The Florida Building Commission Report to the 2006 Legislature, *Florida Department of Community Affairs*, p. 4, available at: [http://www.floridabuilding.org/fbc/publications/2006\\_Legislature\\_Rpt\\_rev2.pdf](http://www.floridabuilding.org/fbc/publications/2006_Legislature_Rpt_rev2.pdf) (last visited Feb. 2, 2026).

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

<sup>10</sup> Florida Building Commission Homepage, available at: <https://floridabuilding.org/c/default.aspx> (last visited Feb. 2, 2026).

Chapter 553, part IV, F.S., is known as the “Florida Building Codes Act” (Act). The purpose and intent of the Act is to provide a mechanism for the uniform adoption, updating, interpretation, and enforcement of a single, unified state building code. The Building Code must be applied, administered, and enforced uniformly and consistently from jurisdiction to jurisdiction.<sup>11</sup>

### **Local Government Enforcement of the Florida Building Code**

Current law permits local governing bodies to provide a schedule of reasonable fees in order to enforce the Florida Building Code.<sup>12</sup> Such fees, fines, or investment earnings related to the fees may only be used for carrying out the local government’s responsibilities in enforcing the building code, including, but not limited to, any process or enforcement related to obtaining or finalizing a building permit.<sup>13</sup> When providing a schedule of reasonable fees, the total estimated annual revenue derived from fees, and the fines and investment earnings related to the fees, may not exceed the total annual costs of allowable activities.<sup>14</sup> Any unexpected balances must be carried forward to future years for allowable activities or must be refunded at the discretion of the local government.<sup>15</sup>

A local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous four fiscal years.<sup>16</sup> Any amount exceeding this limit must be used for the following purposes:<sup>17</sup>

- Rebating and reducing fees;
- Upgrading technology hardware and software systems to enhance service delivery;
- Paying for the construction of a building or structure that houses a local government’s building code enforcement agency;<sup>18</sup> or
- Providing training programs for building officials, inspectors, or plans examiners associated with the Florida Building Code.<sup>19</sup>

### **Legislative Appropriations Projects**

Joint Rule 2.2(4)(a) of the Florida Legislature provides requirements for legislative appropriations projects. An appropriations project is a specific appropriation, proviso, or item on a conference committee spreadsheet agreed to by House and Senate conferees providing funding

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<sup>11</sup> Section 553.72(1), F.S.

<sup>12</sup> Section 553.80(7)(a), F.S. Such enforcement of the Florida Building Code includes the direct costs and reasonable indirect costs associated with review of building plans, building inspections, reinspections, and building permit processing; building code enforcement; and fire inspections associated with new construction. It also may include training costs associated with the enforcement of the Florida Building Code and enforcement action pertaining to unlicensed contractor activity to the extent not funded by other user fees. Section 553.80(7)(a)1., F.S.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.* The term “operating budget” does not include reserve amounts.

<sup>17</sup> However, a local government that established, as of January 1, 2019, a Building Inspections Fund Advisory Board consisting of five members from the construction stakeholder community and carries an unexpected balance in excess of the average of its operating budget for the previous four fiscal years may continue to carry such excess funds forward upon the recommendation of the advisory board. Section 553.80(7)(a), F.S.

<sup>18</sup> Excess funds used to construct such a building or structure must be designated for such purpose by the local government and may not be carried forward for more than four consecutive years. Section 553.80(7)(a)2., F.S.

<sup>19</sup> Section 553.80(7)(a)2., F.S.

for specified purposes.<sup>20</sup> One such purpose of an appropriations project is to provide funding to a local government, private entity, or privately operated program.<sup>21</sup> Funding requests are submitted by a member of the legislature via specified appropriations request forms, which require the requester to provide information such as the title of the project, the total cost of the project, and if the project requires funding over multiple years.<sup>22</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 11.40, F.S., to prohibit a local governmental entity<sup>23</sup> from receiving state funds through a local funding initiative request if such entity was subject to an audit directed by the Joint Legislative Auditing Committee (JLAC) within one year of requesting such funds (as measured from the date on which JLAC votes to direct the audit). However, a local governmental entity that was subject to such an audit may be eligible to receive such funds if, at the time of submission of the local funding initiative request to its legislative delegation, such entity includes an affirmation stating that it is no longer the subject of such audit. The bill also requires JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

**Section 2** amends s. 553.80, F.S., to remove a current provision of law authorizing a local government to use excess funds received from enforcing the Florida Building Code for the construction of a building or structure that houses a local government's building code enforcement agency. The bill also removes the requirement that excess funds used to construct certain authorized buildings or structures must be designated for such purposes by the local government and not allowed to be carried forward for more than four consecutive years.

The bill takes effect July 1, 2026.

### IV. Constitutional Issues:

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

The bill does not appear to require counties and municipalities to expend funds or limit their authority to raise revenue or receive state-shared revenues as specified by Article VII, s.18, of the State Constitution.

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

None.

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<sup>20</sup> Joint Rule 2.2(4)(a), Florida Legislature (2024-2026).

<sup>21</sup> *Id.*

<sup>22</sup> See Florida House of Representatives Appropriations Project Request FY 26-27, available at: [https://www.flhouse.gov/FileStores/Web/HouseContent/Approved/Web%20Site/projects\\_items/APR%20Fillable%20Form%20FY%202026-27.pdf](https://www.flhouse.gov/FileStores/Web/HouseContent/Approved/Web%20Site/projects_items/APR%20Fillable%20Form%20FY%202026-27.pdf) (last visited Feb. 2, 2026).

<sup>23</sup> "Local governmental entity" means a county agency, municipality, tourist development council, county tourism promotion agency, or special district as defined in s. 189.012, F.S. The term does not include any housing authority established under ch. 421, F.S. See s. 11.45(1)(g), F.S.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

**Single Subject**

Article III, section 6 of the State Constitution requires every law to “embrace but one subject and matter properly connected therewith, and the subject shall be briefly expressed in the title.” The purpose of this requirement is to prevent logrolling, which combines multiple unrelated measures in one bill in order to secure passage of a measure that is unlikely to pass on its own merits.<sup>24</sup> The Florida Supreme Court has held that the single subject clause contains three requirements: first, each law must embrace only one subject; second, the law may include any matter that properly connected with the subject; and third, the subject must be briefly expressed in the title.<sup>25</sup> The subject matter to consider when determining whether a bill embraces a single subject is the bill title’s subject, and the test is whether the bill is designed to accomplish separate objectives with no natural or logical connection to each other.<sup>26</sup>

The bill is entitled an act “related to local government funding.” Section 1 pertains to future legislatures’ authority to fund local governments, while Section 2 pertains to the local expenditure of building code enforcement funds. These provisions may not bear the natural or logical connection required to meet the single subject requirement in the State Constitution.

**Binding Future Legislatures**

The general rule of law<sup>27</sup> is that one legislature cannot bind to limit or enlarge the powers of a subsequent legislature or inhibit it from amending or repealing any legislation so long as it does not act contrary to or inconsistently with any constitutional limitations on the legislative power in any given case.<sup>28</sup> The bill provides that a local governmental entity is not eligible to receive certain legislative appropriations under certain conditions. As legislative appropriations are conducted and committees are formed each year by a new legislature with equal stature to the previous, these provisions may not bind future legislatures beyond the requirements of the Florida Constitution.

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<sup>24</sup> *Santos v. State*, 380 So.2d 1284 (Fla. 1980).

<sup>25</sup> *Franklin v. State*, 887 So. 1063, 1072 (Fla. 2004).

<sup>26</sup> See *Ex parte Knight*, 41 So. 786 (Fla. 1906); *Brd. of Public Instruction of Broward Cnty. v. Doran*, 224 So.2d 693 (Fla. 1969).

<sup>27</sup> See *Nue v. Miami Herald Publishing Co.*, 462 So. 2d 821 (Fla. 1985); *Internal Improvement Fund v. St. Johns River Co.*, 16 Fla. 531 (Fla. 1878); *Gonzales v. Sullivan*, 16 Fla. 791 (Fla. 1878).

<sup>28</sup> State of Florida’s Office of the Attorney General, *Postaudit Expenditures, Counties*, available at <https://www.myfloridalegal.com/ag-opinions/postaudit-expenditures-counties> (last visited Feb. 2, 2026).

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

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

The bill has an indeterminate negative fiscal impact to local governmental entities that are no longer eligible to receive state funds through a local funding initiative request.

The bill requires the JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity. The cost of which can be handled with existing resources.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

The bill provides that a local governmental entity is not eligible to receive state funds through a “local funding initiative request” if it has been subject to a Joint Legislative Audit Committee’s audit within the one-year period preceding the date of the submission of such request. The term “local funding initiative request” is not defined in the Florida Statutes, but appears to correspond to an “appropriations project,” as defined in Joint Rule 2.2(4)(a) of the Florida Legislature.

**VIII. Statutes Affected:**

This bill substantially amends sections 11.40 and 553.80 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/CS by Appropriations Committee on Agriculture, Environment, and General Government on February 18, 2026:**

The committee substitute:

- Changes the relating to clause from “an act relating to the Florida Building Code” to “an act relating to local government funding.”
- Moves the audit provisions in the bill from s. 553.80, F.S., to s. 11.40, F.S., and provides additional specificity.
- Removes the requirement for legislative committees to submit a list of local governments subject to an audit to the presiding officers and the chairs of the

legislative appropriations committees. Instead, it requires JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

**CS by Community Affairs on February 3, 2026:**

The committee substitute:

- Removes the provision of the bill that authorizes the expenditure of excess funds received from enforcing the Florida Building Code on the performance of necessary services or repairs to a stormwater management system.
- Removes a current law provision that authorizes a local government to use such excess funds for the construction of a building or structure that houses a local government's building code enforcement agency.
- Clarifies that a local government may not receive state funds through a local funding initiative request if the local government has been subject to a legislative committee's audit within one year after such request, or if the local government does not submit an affirmation with its local funding initiative request to its legislative delegation stating that it is no longer the subject of a state audit.

**B. Amendments:**

None.



716506

LEGISLATIVE ACTION

Senate	.	House
Comm: RS	.	
02/18/2026	.	
	.	
	.	
	.	

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The Appropriations Committee on Agriculture, Environment, and General Government (Leek) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 17 - 79

and insert:

Section 1. Subsection (4) is added to section 11.40, Florida Statutes, to read:

11.40 Legislative Auditing Committee.—

(4) A local governmental entity is not eligible to receive state funds through a local funding initiative request if the local governmental entity was subject to an audit directed by



716506

11 the Legislative Auditing Committee within the 1-year period  
12 preceding the date of the submission of the local funding  
13 initiative request, as measured from the date on which the  
14 Legislative Auditing Committee votes to direct the audit. Each  
15 local governmental entity shall submit an affidavit with its  
16 local funding initiative request stating that it is not  
17 currently the subject of an audit directed by the Legislative  
18 Auditing Committee. The Legislative Auditing Committee shall  
19 notify the chairs of each legislative appropriations committee  
20 upon voting to direct an audit of a local governmental entity.

21 Section 2. Paragraph (a) of subsection (7) of section  
22 553.80, Florida Statutes, is amended to read:

23 553.80 Enforcement.—

24 (7) (a) The governing bodies of local governments may  
25 provide a schedule of reasonable fees, as authorized by s.  
26 125.56(2) or s. 166.222 and this section, for enforcing this  
27 part. These fees, and any fines or investment earnings related  
28 to the fees, may only be used for carrying out the local  
29 government's responsibilities in enforcing the Florida Building  
30 Code, including, but not limited to, any process or enforcement  
31 related to obtaining or finalizing a building permit. When  
32 providing a schedule of reasonable fees, the total estimated  
33 annual revenue derived from fees, and the fines and investment  
34 earnings related to the fees, may not exceed the total estimated  
35 annual costs of allowable activities. Any unexpended balances  
36 must be carried forward to future years for allowable activities  
37 or must be refunded at the discretion of the local government. A  
38 local government may not carry forward an amount exceeding the  
39 average of its operating budget for enforcing the Florida



716506

40 Building Code for the previous 4 fiscal years. For purposes of  
41 this subsection, the term "operating budget" does not include  
42 reserve amounts. Any amount exceeding this limit must be used as  
43 authorized in subparagraph 2. However, a local government that  
44 established, as of January 1, 2019, a Building Inspections Fund  
45 Advisory Board consisting of five members from the construction  
46 stakeholder community and carries an unexpended balance in  
47 excess of the average of its operating budget for the previous 4  
48 fiscal years may continue to carry such excess funds forward  
49 upon the recommendation of the advisory board. The basis for a  
50 fee structure for allowable activities must relate to the level  
51 of service provided by the local government and must include  
52 consideration for refunding fees due to reduced services based  
53 on services provided as prescribed by s. 553.791, but not  
54 provided by the local government. Fees charged must be  
55 consistently applied.

56 1. As used in this subsection, the phrase "enforcing the  
57 Florida Building Code" includes the direct costs and reasonable  
58 indirect costs associated with review of building plans,  
59 building inspections, reinspections, and building permit  
60 processing; building code enforcement; and fire inspections  
61 associated with new construction. The phrase may also include  
62 training costs associated with the enforcement of the Florida  
63 Building Code and enforcement action pertaining to unlicensed  
64 contractor activity to the extent not funded by other user fees.

65 2. A local government must use any excess funds that it is  
66 prohibited from carrying forward to rebate and reduce fees, to  
67 upgrade technology hardware and software systems to enhance  
68 service delivery, ~~to pay for the construction of a building or~~



716506

69 ~~structure that houses a local government's building code~~  
70 ~~enforcement agency,~~ or for training programs for building  
71 officials, inspectors, or plans examiners associated with the  
72 enforcement of the Florida Building Code. A local government is  
73 not eligible to receive state funds through a local funding  
74 initiative request if the local government has been subject to a  
75 legislative committee's audit within 1 year after the local  
76 government's request, or if the local government does not submit  
77 in its local funding initiative request to its legislative  
78 delegation an affirmation stating that it is no longer the  
79 subject of a state audit ~~Excess funds used to construct such a~~

80  
81 ===== T I T L E A M E N D M E N T =====

82 And the title is amended as follows:

83 Delete lines 3 - 12

84 and insert:

85 s. 11.40, F.S.; providing that a local governmental  
86 entity is not eligible to receive state funds through  
87 a local funding initiative request if the local  
88 governmental entity was subject to an audit directed  
89 by the Legislative Auditing Committee within a  
90 specified timeframe; requiring each local governmental  
91 entity to submit a certain affidavit with its local  
92 funding initiative request; requiring the Legislative  
93 Auditing Committee to notify the chairs of each  
94 legislative appropriations committee upon voting to  
95 direct an audit of a local governmental entity;  
96 amending s. 553.80, F.S.; revising the manner in which  
97 a local government is required to spend excess funds;



716506

98 providing that a local government is not eligible to  
99 receive state funds through a local funding initiative  
100 request if it has been subject to a legislative  
101 committee's audit within a specified timeframe or if  
102 it fails to submit a certain affirmation to its  
103 legislative delegation; providing an



314064

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/18/2026	.	
	.	
	.	
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The Appropriations Committee on Agriculture, Environment, and General Government (Leek) recommended the following:

1       **Senate Substitute for Amendment (716506) (with title**  
2 **amendment)**

3  
4       Delete lines 17 - 79  
5 and insert:

6       Section 1. Subsection (4) is added to section 11.40,  
7 Florida Statutes, to read:

8       11.40 Legislative Auditing Committee.—

9       (4) A local governmental entity is not eligible to receive  
10 state funds through a local funding initiative request if the



314064

11 local governmental entity was subject to an audit directed by  
12 the Legislative Auditing Committee within the 1-year period  
13 preceding the date of the submission of the local funding  
14 initiative request, as measured from the date on which the  
15 Legislative Auditing Committee votes to direct the audit.  
16 However, a local governmental entity that was subject to an  
17 audit pursuant to this subsection may be eligible to receive  
18 such funds if, at the time of submission of the local funding  
19 initiative request to its legislative delegation, the local  
20 governmental entity includes an affirmation stating that it is  
21 no longer the subject of such audit. The Legislative Auditing  
22 Committee shall notify the chairs of each legislative  
23 appropriations committee upon voting to direct an audit of a  
24 local governmental entity.

25 Section 2. Paragraph (a) of subsection (7) of section  
26 553.80, Florida Statutes, is amended to read:

27 553.80 Enforcement.—

28 (7) (a) The governing bodies of local governments may  
29 provide a schedule of reasonable fees, as authorized by s.  
30 125.56(2) or s. 166.222 and this section, for enforcing this  
31 part. These fees, and any fines or investment earnings related  
32 to the fees, may only be used for carrying out the local  
33 government's responsibilities in enforcing the Florida Building  
34 Code, including, but not limited to, any process or enforcement  
35 related to obtaining or finalizing a building permit. When  
36 providing a schedule of reasonable fees, the total estimated  
37 annual revenue derived from fees, and the fines and investment  
38 earnings related to the fees, may not exceed the total estimated  
39 annual costs of allowable activities. Any unexpended balances



314064

40 must be carried forward to future years for allowable activities  
41 or must be refunded at the discretion of the local government. A  
42 local government may not carry forward an amount exceeding the  
43 average of its operating budget for enforcing the Florida  
44 Building Code for the previous 4 fiscal years. For purposes of  
45 this subsection, the term "operating budget" does not include  
46 reserve amounts. Any amount exceeding this limit must be used as  
47 authorized in subparagraph 2. However, a local government that  
48 established, as of January 1, 2019, a Building Inspections Fund  
49 Advisory Board consisting of five members from the construction  
50 stakeholder community and carries an unexpended balance in  
51 excess of the average of its operating budget for the previous 4  
52 fiscal years may continue to carry such excess funds forward  
53 upon the recommendation of the advisory board. The basis for a  
54 fee structure for allowable activities must relate to the level  
55 of service provided by the local government and must include  
56 consideration for refunding fees due to reduced services based  
57 on services provided as prescribed by s. 553.791, but not  
58 provided by the local government. Fees charged must be  
59 consistently applied.

60 1. As used in this subsection, the phrase "enforcing the  
61 Florida Building Code" includes the direct costs and reasonable  
62 indirect costs associated with review of building plans,  
63 building inspections, reinspections, and building permit  
64 processing; building code enforcement; and fire inspections  
65 associated with new construction. The phrase may also include  
66 training costs associated with the enforcement of the Florida  
67 Building Code and enforcement action pertaining to unlicensed  
68 contractor activity to the extent not funded by other user fees.



314064

69           2. A local government must use any excess funds that it is  
70 prohibited from carrying forward to rebate and reduce fees, to  
71 upgrade technology hardware and software systems to enhance  
72 service delivery, ~~to pay for the construction of a building or~~  
73 ~~structure that houses a local government's building code~~  
74 ~~enforcement agency,~~ or for training programs for building  
75 officials, inspectors, or plans examiners associated with the  
76 enforcement of the Florida Building Code. ~~Excess funds used to~~  
77 ~~construct such a~~

78  
79 ===== T I T L E   A M E N D M E N T =====

80 And the title is amended as follows:

81           Delete lines 2 - 12

82 and insert:

83           An act relating to local government funding; amending  
84 s. 11.40, F.S.; providing that a local governmental  
85 entity is not eligible to receive state funds through  
86 a local funding initiative request if the local  
87 governmental entity was subject to an audit directed  
88 by the Legislative Auditing Committee within a  
89 specified timeframe; providing an exception; requiring  
90 the Legislative Auditing Committee to notify the  
91 chairs of each legislative appropriations committee  
92 upon voting to direct an audit of a local governmental  
93 entity; amending s. 553.80, F.S.; revising the manner  
94 in which a local government is required to spend  
95 excess funds; providing an

By the Committee on Community Affairs; and Senator Leek

578-02482-26

20261614c1

1 A bill to be entitled  
 2 An act relating to the Florida Building Code; amending  
 3 s. 553.80, F.S.; revising how a local government is  
 4 required to spend excess funds; providing that a local  
 5 government is not eligible to receive state funds  
 6 through a local funding initiative request if it has  
 7 been subject to a legislative committee's audit within  
 8 a specified timeframe or if it fails to submit a  
 9 certain affirmation to its legislative delegation;  
 10 requiring each appropriate legislative committee to  
 11 report such local governments to the presiding  
 12 officers and the appropriations chairs; providing an  
 13 effective date.  
 14  
 15 Be It Enacted by the Legislature of the State of Florida:  
 16  
 17 Section 1. Paragraph (a) of subsection (7) of section  
 18 553.80, Florida Statutes, is amended to read:  
 19 553.80 Enforcement.—  
 20 (7) (a) The governing bodies of local governments may  
 21 provide a schedule of reasonable fees, as authorized by s.  
 22 125.56(2) or s. 166.222 and this section, for enforcing this  
 23 part. These fees, and any fines or investment earnings related  
 24 to the fees, may only be used for carrying out the local  
 25 government's responsibilities in enforcing the Florida Building  
 26 Code, including, but not limited to, any process or enforcement  
 27 related to obtaining or finalizing a building permit. When  
 28 providing a schedule of reasonable fees, the total estimated  
 29 annual revenue derived from fees, and the fines and investment

Page 1 of 5

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

578-02482-26

20261614c1

30 earnings related to the fees, may not exceed the total estimated  
 31 annual costs of allowable activities. Any unexpended balances  
 32 must be carried forward to future years for allowable activities  
 33 or must be refunded at the discretion of the local government. A  
 34 local government may not carry forward an amount exceeding the  
 35 average of its operating budget for enforcing the Florida  
 36 Building Code for the previous 4 fiscal years. For purposes of  
 37 this subsection, the term "operating budget" does not include  
 38 reserve amounts. Any amount exceeding this limit must be used as  
 39 authorized in subparagraph 2. However, a local government that  
 40 established, as of January 1, 2019, a Building Inspections Fund  
 41 Advisory Board consisting of five members from the construction  
 42 stakeholder community and carries an unexpended balance in  
 43 excess of the average of its operating budget for the previous 4  
 44 fiscal years may continue to carry such excess funds forward  
 45 upon the recommendation of the advisory board. The basis for a  
 46 fee structure for allowable activities must relate to the level  
 47 of service provided by the local government and must include  
 48 consideration for refunding fees due to reduced services based  
 49 on services provided as prescribed by s. 553.791, but not  
 50 provided by the local government. Fees charged must be  
 51 consistently applied.  
 52 1. As used in this subsection, the phrase "enforcing the  
 53 Florida Building Code" includes the direct costs and reasonable  
 54 indirect costs associated with review of building plans,  
 55 building inspections, reinspections, and building permit  
 56 processing; building code enforcement; and fire inspections  
 57 associated with new construction. The phrase may also include  
 58 training costs associated with the enforcement of the Florida

Page 2 of 5

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

578-02482-26

20261614c1

59 Building Code and enforcement action pertaining to unlicensed  
 60 contractor activity to the extent not funded by other user fees.  
 61 2. A local government must use any excess funds that it is  
 62 prohibited from carrying forward to rebate and reduce fees, to  
 63 upgrade technology hardware and software systems to enhance  
 64 service delivery, ~~to pay for the construction of a building or~~  
 65 ~~structure that houses a local government's building code~~  
 66 ~~enforcement agency,~~ or for training programs for building  
 67 officials, inspectors, or plans examiners associated with the  
 68 enforcement of the Florida Building Code. A local government is  
 69 not eligible to receive state funds through a local funding  
 70 initiative request if the local government has been subject to a  
 71 legislative committee's audit within 1 year after the local  
 72 government's request, or if the local government does not submit  
 73 in its local funding initiative request to its legislative  
 74 delegation an affirmation stating that it is no longer the  
 75 subject of a state audit. Each appropriate legislative committee  
 76 shall report a list of all local governments that have been  
 77 subject to an audit or that have not submitted an affirmation to  
 78 the presiding officers and the chairs of the legislative  
 79 appropriations committees ~~Excess funds used to construct such a~~  
 80 ~~building or structure must be designated for such purpose by the~~  
 81 ~~local government and may not be carried forward for more than 4~~  
 82 ~~consecutive years.~~ An owner or a builder who has a valid  
 83 building permit issued by a local government for a fee, or an  
 84 association of owners or builders located in this ~~the~~ state that  
 85 has members with valid building permits issued by a local  
 86 government for a fee, may bring a civil action against the local  
 87 government that issued the permit for a fee to enforce this

Page 3 of 5

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

578-02482-26

20261614c1

88 subparagraph.  
 89 3. The following activities may not be funded with fees  
 90 adopted for enforcing the Florida Building Code:  
 91 a. Planning and zoning or other general government  
 92 activities not related to obtaining a building permit.  
 93 b. Inspections of public buildings for a reduced fee or no  
 94 fee.  
 95 c. Public information requests, community functions,  
 96 boards, and any program not directly related to enforcement of  
 97 the Florida Building Code.  
 98 d. Enforcement and implementation of any other local  
 99 ordinance, excluding validly adopted local amendments to the  
 100 Florida Building Code and excluding any local ordinance directly  
 101 related to enforcing the Florida Building Code as defined in  
 102 subparagraph 1.  
 103 4. A local government must use recognized management,  
 104 accounting, and oversight practices to ensure that fees, fines,  
 105 and investment earnings generated under this subsection are  
 106 maintained and allocated or used solely for the purposes  
 107 described in subparagraph 1.  
 108 5. The local enforcement agency, independent district, or  
 109 special district may not require at any time, including at the  
 110 time of application for a permit, the payment of any additional  
 111 fees, charges, or expenses associated with:  
 112 a. Providing proof of licensure under chapter 489;  
 113 b. Recording or filing a license issued under this chapter;  
 114 c. Providing, recording, or filing evidence of workers'  
 115 compensation insurance coverage as required by chapter 440; or  
 116 d. Charging surcharges or other similar fees not directly

Page 4 of 5

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

578-02482-26

20261614c1

117 related to enforcing the Florida Building Code.

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



The Florida Senate

## Committee Agenda Request

**To:** Senator Jason Brodeur, Chair  
Appropriations Committee on Agriculture, Environment, and General  
Government

**Subject:** Committee Agenda Request

**Date:** February 4, 2026

---

I respectfully request that **Senate Bill #1614**, relating to Florida Building Code, be placed on the:

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Leek", written over a horizontal line.

Sen. Tom Leek  
Florida Senator, District 7

The Florida Senate

APPEARANCE RECORD

1614

2/18/26

Meeting Date

Bill Number or Topic

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

Approps. on Ag Envir + Gen Gov

Committee

Amendment Barcode (if applicable)

Name LUCAS PARSONS

Phone 850-591-7759

Address 215 S MONROE ST.

Email lparsons@cartonfields.com

Street

TLH

FLA

32301

City

State

Zip

Speaking: [ ] For [ ] Against [ ] Information OR Waive Speaking: [x] In Support [ ] Against

PLEASE CHECK ONE OF THE FOLLOWING:

[ ] I am appearing without compensation or sponsorship.

[x] I am a registered lobbyist, representing:

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

FL. HOME BUILDERS ASS'N

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

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

S-001 (08/10/2021)

# CourtSmart Tag Report

Room: KB 412

Case No.:

Type:

Caption: Senate Appropriations Committee on Agriculture, Environment, and General Government

Judge:

Started: 2/18/2026 10:31:08 AM

Ends: 2/18/2026 11:09:16 AM

Length: 00:38:09

10:31:09 AM Sen. Brodeur (Chair)  
10:31:52 AM S 800  
10:31:58 AM Sen. Mayfield  
10:32:40 AM Sen. Sharief  
10:33:01 AM Sen. Mayfield  
10:33:12 AM Sen. Sharief  
10:33:48 AM Sen. Mayfield  
10:33:59 AM Sen. Sharief  
10:34:07 AM Sen. Mayfield  
10:34:17 AM Sen. Sharief  
10:34:38 AM Sen. Mayfield  
10:34:47 AM Sen. Brodeur  
10:34:49 AM Sen. Sharief  
10:34:50 AM Sen. Brodeur  
10:34:58 AM Sen. Mayfield  
10:35:34 AM S 576  
10:35:36 AM Sen. Harrell  
10:37:29 AM Sen. Massullo  
10:37:47 AM Sen. Harrell  
10:38:18 AM Zach Hubbard, FLGISA (waives in support)  
10:38:21 AM Barney Bishop, Florida Smart Justice Alliance (waives in support)  
10:38:24 AM Sam Wagoner, Florida League of Cities (waives in support)  
10:38:33 AM Sen. Harrell  
10:39:12 AM S 1078  
10:39:17 AM Sen. Grall  
10:41:48 AM Sen. Sharief  
10:42:06 AM S 314  
10:42:16 AM Sen. Burton  
10:42:46 AM Ash Mason, Florida Office of Financial Regulation (waives in support)  
10:42:58 AM Sen. Burton  
10:43:28 AM TAB 1 - Review and Discussion of Fiscal Year 2026-2027 Budget Issues  
10:44:49 AM Sen. Berman  
10:45:00 AM Sen. Brodeur  
10:45:16 AM Sen. Berman  
10:45:23 AM Sen. Brodeur  
10:45:25 AM Sen. Berman  
10:45:30 AM Sen. Brodeur  
10:45:37 AM Sen. Berman  
10:45:42 AM Sen. Brodeur  
10:45:49 AM Sen. Berman  
10:46:09 AM Sen. Brodeur  
10:46:22 AM Sen. Berman  
10:46:50 AM Sen. Brodeur  
10:47:15 AM Sen. Berman  
10:47:27 AM Sen. Brodeur  
10:47:39 AM Sen. Berman  
10:47:56 AM Sen. Brodeur  
10:48:15 AM Sen. Berman  
10:48:26 AM Sen. Brodeur  
10:48:28 AM Sen. Berman  
10:48:31 AM Sen. Brodeur  
10:49:06 AM Sen. Berman

10:49:22 AM Sen. Brodeur  
10:49:27 AM Sen. Berman  
10:49:34 AM Sen. Brodeur  
10:49:49 AM Sen. Berman  
10:50:07 AM Sen. Brodeur  
10:50:33 AM Sen. Berman  
10:50:48 AM S 530  
10:50:49 AM Sen. Simon  
10:51:58 AM Sen. Brodeur  
10:52:15 AM Sen. Simon  
10:52:45 AM S 1614  
10:52:51 AM Sen. Leek  
10:53:58 AM Am. 314064  
10:54:01 AM Sen. Leek  
10:54:12 AM Sen. Berman  
10:54:23 AM Sen. Leek  
10:54:46 AM S 1614 (cont.)  
10:54:54 AM Lucas Parsons, Florida Home Builders Association (waives in support)  
10:55:03 AM Sen. Berman  
10:55:41 AM Sen. Leek  
10:57:06 AM Sen. Brodeur  
10:57:21 AM S 990  
10:57:37 AM Sen. Leek  
10:58:42 AM Wayne Matthews  
11:00:46 AM Benjamin Stearns, Florida Captive Insurance Association (waives in support)  
11:00:55 AM Barney Bishop, Florida Smart Justice Alliance (waives in support)  
11:01:06 AM Sen. Leek  
11:01:37 AM S 1588  
11:01:41 AM Sen. Gruters  
11:03:01 AM Sen. Brodeur  
11:03:08 AM S 1440  
11:03:11 AM Sen. Martin  
11:03:41 AM Ash Mason, Florida Office of Financial Regulation (waives in support)  
11:03:44 AM Barney Bishop, Florida Smart Justice Alliance (waives in support)  
11:03:57 AM Sen. Martin  
11:04:28 AM S 1568  
11:04:30 AM Sen. DiCeglie  
11:06:08 AM Am. 342188  
11:06:11 AM Sen. DiCeglie  
11:07:16 AM S 1568 (cont.)  
11:07:22 AM Connor Blitch, CFO Blaise Ingolia (waives in support)  
11:07:45 AM Sen. DiCeglie  
11:08:14 AM TAB 1 - Review and Discussion of Fiscal Year 2026-2027 Budget Issues  
11:08:28 AM Sen. Truenow  
11:08:35 AM Sen. Rodriguez  
11:08:43 AM Sen. Pizzo  
11:08:59 AM Sen. Brodeur