

Tab 1	SB 6 by Calatayud; Identical to H 06507 Relief of L.E. by the Department of Children and Families					
Tab 2	SB 26 by McClain (CO-INTRODUCERS) Massullo; Similar to CS/CS/H 06509 Relief of the Estate of Mark LaGatta by the Department of Transportation					
Tab 3	CS/SB 206 by ED, Harrell (CO-INTRODUCERS) Massullo; Compare to CS/H 00851 Students with Autism Spectrum Disorder					
Tab 4	CS/CS/SB 532 by ACJ, JU, Simon (CO-INTRODUCERS) Wright, Osgood, Rodriguez, Calatayud, Jones, Smith, Bracy Davis, Boyd, Massullo, Rouson, DiCeglie, Garcia, Leek, Harrell; Compare to CS/H 00925 Clerks of the Court					
Tab 5	CS/SB 576 by GO, Harrell; Similar to CS/CS/H 01085 Local Government Cybersecurity					
Tab 6	CS/SB 1012 by ACJ, Yarborough; Compare to CS/CS/CS/H 00913 Inmate Services					
264582	A	S	RCS	AP, Yarborough	Delete L.50 - 162.	03/03 10:26 AM
Tab 7	CS/SB 1110 by BI, Truenow (CO-INTRODUCERS) Smith, Sharief, Garcia, Bracy Davis, Massullo; Similar to H 01301 Coverage for Orthotics and Prosthetics Services					
Tab 8	CS/SB 1178 by EE, Grall (CO-INTRODUCERS) Avila; Similar to CS/CS/CS/1ST ENG/H 00905 Foreign Influence					
802316	D	S	LRCS	AP, Grall	Delete everything after	03/03 12:51 PM
Tab 9	SB 1192 by Polsky (CO-INTRODUCERS) Arrington; Identical to H 01031 Customer Service Callback Queues					
600084	A	S	RCS	AP, Polsky	Delete L.19 - 33:	03/03 11:52 AM
Tab 10	CS/CS/SB 1266 by ATD, CM, Calatayud; Similar to CS/CS/CS/H 01081 Cybersecurity Internships					
Tab 11	CS/CS/SB 1362 by ATD, TR, Harrell; Identical to CS/CS/CS/H 01093 Vertiports					
Tab 12	CS/CS/SB 1602 by ATD, MS, Wright; Similar to CS/CS/CS/H 01481 Housing for Veterans					
Tab 13	CS/CS/SB 1604 by ATD, MS, Wright; Similar to CS/H 01483 Trust Funds/Vacancy Relief and Risk Mitigation Trust Fund					
Tab 14	CS/CS/SB 1614 by AEG, CA, Leek; Compare to CS/CS/H 01169 Local Government Funding					
339774	D	S	RCS	AP, Leek	Delete everything after	03/03 10:28 AM
Tab 15	CS/SB 1758 by HP, Gaetz (CO-INTRODUCERS) Brodeur, Massullo; Compare to CS/H 00693 Public Assistance					
597682	A	S	RCS	AP, Gaetz	Delete L.195:	03/03 11:39 AM
562600	A	S	RCS	AP, Gaetz	btw L.228 - 229:	03/03 11:39 AM
Tab 16	CS/SB 1760 by HP, Brodeur (CO-INTRODUCERS) Gaetz, Rouson, Massullo, Garcia, Harrell; Compare to CS/H 00697 Health Care Coverage					
259076	A	S	RCS	AP, Brodeur	Delete L.733 - 854:	03/03 11:37 AM

Tab 17	SB 7046 by FT; Compare to H 00039 Taxation					
782234	D	S	RCS	AP, Gaetz	Delete everything after	03/03 11:47 AM
~~514398~~	AA	S	WD	AP, Smith	btw L.33 - 34:	03/03 11:47 AM
734878	AA	S	RCS	AP, Gaetz	Delete L.255 - 266:	03/03 11:47 AM
~~916018~~	AA	S	WD	AP, Rouson	btw L.375 - 376:	03/03 11:47 AM
~~271874~~	A	S	WD	AP, Smith	Before L.96:	03/02 10:50 AM
~~216690~~	A	S	WD	AP, Rouson	btw L.139 - 140:	03/02 09:53 AM
Tab 18	SB 7048 by FT; Internal Revenue Code					
380980	D	S	RCS	AP, Gaetz	Delete everything after	03/03 11:48 AM
Tab 19	HB 5203 by SAB, Miller; Compare to S 02500 Government Administration					
629570	D	S	FAV	AP, Brodeur	Delete everything after	03/03 12:48 PM
Tab 20	HB 5207 by SAB, Abbott; Compare to S 01662 Department of Management Services					
604948	D	S	FAV	AP, Brodeur	Delete everything after	03/03 12:30 PM
Tab 21	HB 5301 by HCB, Andrade; Compare to S 02500 Health Care					
356566	D	S	FAV	AP, Trumbull	Delete everything after	03/03 12:32 PM
Tab 22	HB 5403 by JUB, Maney; Compare to S 02500 Correctional Facilities Financing and Capital Improvements					
282454	D	S	FAV	AP, Garcia	Delete everything after	03/03 12:43 PM
Tab 23	HB 5501 by TED, Shoaf; Compare to S 02500 Documentary Stamp Tax Distributions					
555842	D	S	FAV	AP, DiCeglie	Delete everything after	03/03 12:44 PM
Tab 24	HB 5503 by TED, Griffiths; Compare to S 02500 Trust Funds/Re-creation/Emergency Preparedness and Response Fund/EOG					
347342	D	S	FAV	AP, Hooper	Delete everything after	03/03 12:45 PM
Tab 25	HB 5601 by HEB, Busatta; Compare to S 02500 Higher Education					
160978	D	S	FAV	AP, Harrell	Delete everything after	03/03 12:48 PM
Tab 26	HB 5701 by ANR, Snyder (CO-INTRODUCERS) López, J.; Compare to S 02500 Petroleum Cleanup Programs					
562810	D	S	FAV	AP, Brodeur	Delete everything after	03/03 12:31 PM

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

APPROPRIATIONS
Senator Hooper, Chair
Senator Rouson, Vice Chair

MEETING DATE: Monday, March 2, 2026
TIME: 12:00 noon—6:00 p.m.
PLACE: *Toni Jennings Committee Room*, 110 Senate Building

MEMBERS: Senator Hooper, Chair; Senator Rouson, Vice Chair; Senators Berman, Brodeur, Burgess, DiCeglie, Garcia, Grall, Harrell, Martin, Massullo, McClain, Pizzo, Polsky, Sharief, Smith, Trumbull, and Wright

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 6 Calatayud (Identical H 6507)	Relief of L.E. by the Department of Children and Families; Providing for the relief of L.E. by the Department of Children and Families; providing an appropriation to compensate L.E. for injuries and damages sustained as a result of the negligence of the department; providing a limitation on compensation and the payment of attorney fees, etc. SM JU 02/03/2026 Favorable AHS 02/12/2026 Favorable AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
2	SB 26 McClain (Similar CS/CS/H 6509)	Relief of the Estate of Mark LaGatta by the Department of Transportation; Providing for the relief of the Estate of Mark LaGatta; providing an appropriation to compensate the estate for injuries and damages sustained by Mr. LaGatta as a result of the negligence of the Department of Transportation; providing a limitation on compensation and the payment of attorney fees, etc. SM JU 02/03/2026 Favorable ATD 02/12/2026 Favorable AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
3	CS/SB 206 Education Pre-K - 12 / Harrell (Compare CS/H 851)	Students with Autism Spectrum Disorder; Requiring certain program participants at educator preparation institutes to complete the autism micro-credential; requiring each educator preparation institute to offer training on teaching students with certain disabilities; creating the Autism Educator Loan Forgiveness Program; providing requirements for teachers to receive an annual payment; revising core curricula for teacher preparation programs, etc. ED 01/13/2026 Fav/CS AED 01/28/2026 Favorable AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0

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Appropriations

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
4	CS/CS/SB 532 Appropriations Committee on Criminal and Civil Justice / Judiciary / Simon (Compare S 1322)	Clerks of the Court; Authorizing the cumulative excess of funds to be used in the development of the total combined budgets of the clerks of the court; requiring that a court use certain sale procedures in a foreclosure action; providing that only a clerk of court may conduct a foreclosure sale, etc. JU 01/27/2026 Temporarily Postponed JU 02/10/2026 Fav/CS ACJ 02/18/2026 Fav/CS AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
5	CS/SB 576 Governmental Oversight and Accountability / Harrell (Similar CS/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 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
6	CS/SB 1012 Appropriations Committee on Criminal and Civil Justice / Yarborough (Compare CS/CS/CS/H 913)	Inmate Services; Requiring that maintenance and repair deduction fees from contractor-operated correctional facilities be deposited in the Contractor-Operated Institutions Inmate Welfare Trust Fund; requiring that funds from the Contractor-Operated Institutions Inmate Welfare Trust Fund be used for specified purposes; revising compensation for the provision of inmate medical services by certain providers; providing an exemption; prohibiting compensation to a hospital for the provision of emergency medical services and care provided to inmates from exceeding a certain percentage of the Medicare allowable rate, etc. CJ 02/02/2026 Favorable ACJ 02/12/2026 Fav/CS AP 03/02/2026 Fav/CS	Fav/CS Yeas 17 Nays 0

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
7	CS/SB 1110 Banking and Insurance / Truenow (Similar H 1301)	Coverage for Orthotics and Prosthetics Services; Authorizing the Agency for Health Care Administration to authorize and pay for specified orthotics and prosthetics services for Medicaid recipients who are eligible individuals; requiring the agency to seek federal approval and amend contracts as necessary to implement the act; requiring individual health insurance policies; group, blanket, and franchise health insurance policies; and health maintenance contracts, respectively, to provide coverage for specified orthotics and prosthetics services for eligible individuals, etc. BI 02/11/2026 Fav/CS AHS 02/25/2026 Favorable AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
8	CS/SB 1178 Ethics and Elections / Grall (Similar CS/CS/CS/H 905)	Foreign Influence; Citing this act as the "Foreign Interference Restriction and Enforcement Act"; requiring agents of foreign countries of concern and foreign-supported political organizations to register with the Division of Elections; requiring periodic updates by such agents and organizations; defining the terms "designated foreign terrorist organization" and "foreign country of concern"; prohibiting a governmental entity from entering into certain contracts with certain entities owned or partially owned by foreign sources of concern or affiliated with a foreign country of concern, etc. EE 01/28/2026 Fav/CS JU 02/03/2026 Favorable AP 03/02/2026 Fav/CS	Fav/CS Yeas 11 Nays 5
9	SB 1192 Polsky (Identical H 1031)	Customer Service Callback Queues; Establishing a pilot program to require specified agencies to use a callback queue for returning certain calls; requiring calls to be returned in a specified manner; requiring pilot program participants to report specified information to the Legislature by a certain date, etc. GO 02/02/2026 Favorable ATD 02/12/2026 Favorable AP 03/02/2026 Fav/CS	Fav/CS Yeas 16 Nays 0

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Appropriations

Monday, March 2, 2026, 12:00 noon—6:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
10	CS/CS/SB 1266 Appropriations Committee on Transportation, Tourism, and Economic Development / Commerce and Tourism / Calatayud (Similar CS/CS/CS/H 1081)	Cybersecurity Internships; Requiring the Department of Commerce to create the Cybersecurity Experiential Learning Program in a specified fiscal year, subject to legislative appropriation; requiring the department use a certain percentage of appropriated funds in a specified fiscal year to enter into an agreement with Cyber Florida at the University of South Florida to collaborate in designing the program for implementation and plan for expansion of the program; requiring Cyber Florida to report specified information to the department; providing the department with authorized uses of unspent funds, etc. CM 01/21/2026 Fav/CS ATD 02/04/2026 Fav/CS AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
11	CS/CS/SB 1362 Appropriations Committee on Transportation, Tourism, and Economic Development / Transportation / Harrell (Identical CS/CS/CS/H 1093)	Vertiports; Revising the definition of the term "airport infrastructure"; authorizing the Department of Transportation to fund up to specified percentages of public vertiport project costs, etc. TR 02/03/2026 Fav/CS ATD 02/18/2026 Fav/CS AP 03/02/2026 Favorable	Favorable Yeas 16 Nays 0
12	CS/CS/SB 1602 Appropriations Committee on Transportation, Tourism, and Economic Development / Military and Veterans Affairs, Space, and Domestic Security / Wright (Similar CS/CS/CS/H 1481, Compare CS/H 1483, Linked CS/CS/S 1604)	Housing for Veterans; Creating the "Homes for Veterans Property Management Incentive Pilot Program Act"; establishing the Homes for Veterans Property Management Incentive Pilot Program in certain counties, subject to legislative appropriation; authorizing certain landlords to apply to a contracted program administrator to request funding from the Vacancy Relief and Risk Mitigation Trust Fund under certain circumstances; authorizing a landlord to apply for up to a specified dollar amount from the trust fund, etc. MS 01/26/2026 Fav/CS ATD 02/18/2026 Fav/CS AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0
13	CS/CS/SB 1604 Appropriations Committee on Transportation, Tourism, and Economic Development / Military and Veterans Affairs, Space, and Domestic Security / Wright (Similar CS/H 1483, Compare CS/CS/CS/H 1481, Linked CS/CS/S 1602)	Trust Funds/Vacancy Relief and Risk Mitigation Trust Fund; Creating the Vacancy Relief and Risk Mitigation Trust Fund within the Florida Housing Finance Corporation for a specified purpose; authorizing any unexpended balance at a specified time to revert and be reappropriated for a certain purpose; providing for future review and termination or re-creation of the trust fund, etc. MS 01/26/2026 Fav/CS ATD 02/18/2026 Fav/CS AP 03/02/2026 Favorable	Favorable Yeas 17 Nays 0

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Appropriations

Monday, March 2, 2026, 12:00 noon—6:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
14	CS/CS/SB 1614 Appropriations Committee on Agriculture, Environment, and General Government / Leek (Compare CS/CS/H 1169)	Local Government Funding; Providing that 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 the Legislative Auditing Committee within a specified timeframe; providing an exception; requiring the Legislative Auditing Committee to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity; revising the manner in which a local government is required to spend excess funds, etc. CA 02/03/2026 Fav/CS AEG 02/18/2026 Fav/CS AP 03/02/2026 Fav/CS	Fav/CS Yeas 18 Nays 0
15	CS/SB 1758 Health Policy / Gaetz (Compare CS/H 693, H 1453)	Public Assistance; Authorizing the Agency for Health Care Administration to conduct retrospective reviews and audits of certain claims under the state Medicaid program for a specified purpose; requiring the agency to seek federal approval to implement mandatory work and community engagement requirements for able-bodied adults as a condition of obtaining and maintaining Medicaid coverage; requiring the agency, in consultation with the Department of Children and Families, to develop a business plan to implement specified provisions; revising the purpose of the Medicaid Pharmaceutical and Therapeutics Committee to include creation of a Medicaid preferred physician-administered drug list, a Medicaid preferred product list, and a high-cost drug list; requiring the department to develop and implement a food assistance payment accuracy improvement plan for a specified purpose, etc. HP 02/02/2026 Fav/CS AP 03/02/2026 Fav/CS	Fav/CS Yeas 14 Nays 4
16	CS/SB 1760 Health Policy / Brodeur (Compare CS/H 697, H 1453, S 1158)	Health Care Coverage; Establishing the Joint Legislative Committee on Medicaid Oversight for specified purposes; revising encounter data reporting requirements for prepaid Medicaid plans; requiring managed care plans to report to the agency and the Office of Insurance Regulation the existence of and specified details relating to certain affiliations by a specified date and annually thereafter; revising requirements for contracts between a pharmacy benefit manager and a pharmacy benefits plan or program and a participating pharmacy; revising and specifying additional practices pharmacy benefit managers are prohibited from engaging in, etc. HP 02/11/2026 Fav/CS AP 03/02/2026 Fav/CS	Fav/CS Yeas 18 Nays 0

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Appropriations

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
17	SB 7046 Finance and Tax (Compare H 39, H 215, CS/H 1217, H 7031, CS/CS/S 118, S 250, S 1350, S 1520, CS/S 1628)	Taxation; Prohibiting counties, municipalities, and special districts, respectively, from levying certain special assessments against more than a specified square footage amount per recreational vehicle parking space or campsite; revising a specified finding that a taxing authority must make in order to elect not to exempt certain property from certain ad valorem taxation; exempting certain liquefied petroleum gas tanks from sales and use tax; revising the conditions required for a county to be considered a fiscally constrained county, etc. AP 03/02/2026 Fav/CS	Fav/CS Yeas 12 Nays 5
18	SB 7048 Finance and Tax	Internal Revenue Code; Revising the date of adoption of the Internal Revenue Code and other federal income tax statutes for purposes of the state corporate income tax; prohibiting retroactivity of certain Internal Revenue Code amendments; specifying that a limitation, a deduction, an expense, or an amortization may only affect the computation of certain taxable income beginning after a specified date; requiring taxpayers to add to and deduct from taxable income in a specified manner; revising adjustments taxpayers must make to adjusted federal income with respect to certain tax benefits, etc. AP 03/02/2026 Fav/CS	Fav/CS Yeas 17 Nays 0
19	HB 5203 State Administration Budget Subcommittee / Miller (Compare H 5001, H 5003, S 2500, S 2502)	Government Administration; Revises provisions relating to government administration including auditing, reviews, & investigations of programs, appropriations, & state entities; government accountability; planning & budgeting; estimating conferences; EOG budget recommendations; & budget requests. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 16 Nays 0
20	HB 5207 State Administration Budget Subcommittee / Abbott (Compare H 1189, H 5001, S 1662, S 2500, S 2508)	Department of Management Services; Revises, creates, and repeals provisions relating to administrative health insurance assessments of state agencies; permanent tenants of Capitol Complex; Capitol Center projects, long-range planning, & parking spaces; certification of & state contracting for minority business enterprises; the Office of Supplier Development; participation of Florida-based small business enterprises in state procurement system; Florida Advisory Council on Small & Minority Business Development; Florida Minority Business Loan Mobilization Program; & disposition of specified proceeds used for law enforcement communication systems. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 16 Nays 0

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Appropriations

Monday, March 2, 2026, 12:00 noon—6:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
21	HB 5301 Health Care Budget Subcommittee / Andrade (Compare H 1453, H 5001, S 2500, S 2518)	Health Care; Removes provisions relating to Florida health care innovation; revises payment methodology for reimbursement of Medicaid providers; provides legislative intent; creates Eligibility Assistance Program within DCF; provides program requirements; requires department to select independent contractor based on specified criteria to operate program; provides Medicaid waiver funding requirements for certain individuals; requires APD & AHCA to reconcile funding amounts in specified manner. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 17 Nays 0
22	HB 5403 Justice Budget Subcommittee / Maney (Compare H 5001, S 2500)	Correctional Facilities Financing and Capital Improvements; Provides appropriation to DOC; requires appropriated funds to be used in certain manner; requires department to begin planning & design phase for construction of certain facilities; requires department to make certain recommendations to Legislature; requires department to contract with construction management entity in certain circumstances; authorizes Division of Bond Finance of SBA to issue bonds for certain purposes; creates financing oversight committee; provides membership & duties of committee. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 17 Nays 0
23	HB 5501 Transportation & Economic Development Budget Subcommittee / Shoaf (Compare H 5001, S 2500)	Documentary Stamp Tax Distributions; Revises how taxes collected from documentary stamp tax are distributed; prohibits transfer of specified funds to South Florida Regional Transportation Authority. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 17 Nays 0
24	HB 5503, 1st Eng. Transportation & Economic Development Budget Subcommittee / Griffiths (Compare H 941, H 5001, S 2500, S 7040)	Trust Funds/Re-creation/Emergency Preparedness and Response Fund/EOG; Re-creates Emergency Preparedness & Response Fund within EOG, Division of Emergency Management; revises & provides uses of moneys deposited in fund; provides requirements for deposit of federal reimbursements of state emergency expenditures; provides reporting requirements; revises provisions relating to termination of fund; provides for retroactive application. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 17 Nays 0

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Monday, March 2, 2026, 12:00 noon—6:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
25	HB 5601 Higher Education Budget Subcommittee / Busatta (Compare H 5001, S 2500)	Higher Education; Transfers specified assets & liabilities between USF Sarasota/Manatee & New College of Florida; revises provisions relating to Title IX, tuition rates for certain postsecondary students; & removes future repeal of specified amendments to Florida Statutes. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 17 Nays 0
26	HB 5701 Agriculture & Natural Resources Budget Subcommittee / Snyder (Compare H 5001, H 5003, S 2500)	Petroleum Cleanup Programs; Removes 2025-2026 fiscal year limitation on prohibiting certain deductibles and copays, prohibiting enforcement of certain monetary caps, requiring that certain costs be absorbed at the expense of the Inland Protection Trust Fund, and providing exceptions. AP 03/02/2026 Fav/1 Amendment	Fav/1 Amendment (Yeas 17 Nays 0
Other Related Meeting Documents			



THE FLORIDA SENATE

SPECIAL MASTER ON CLAIM BILLS

Location
409 The Capitol

Mailing Address
404 South Monroe Street
Tallahassee, Florida 32399-1100
(850) 487-5229

DATE	COMM	ACTION
1/29/26	SM	Favorable
2/3/26	JU	Favorable
2/11/26	AHS	Favorable
2/27/26	AP	Favorable

January 29, 20026

The Honorable Ben Albritton
President, The Florida Senate
Suite 409, The Capitol
Tallahassee, Florida 32399-1100

Re: **SB 6** – Senator Calatayud
HB 6507 – Representative Tramont
Relief of L.E. by the Department of Children and Families

SPECIAL MASTER'S FINAL REPORT

THIS IS AN UNCONTESTED CLAIM BILL COMPENSATING L.E., A MINOR, INJURED DUE TO THE NEGLIGENCE OF THE DEPARTMENT OF CHILDREN AND FAMILIES, IN THE AMOUNT OF \$4 MILLION.

FINDINGS OF FACT:

L.E.¹ is a 5 year old minor, born July 29, 2019, in Brevard County, Florida. She suffers from Shaken Baby Syndrome after being abused by her birth parents within weeks of her birth. Her injuries were severe, and the effects will likely leave her disabled for life.

Those primarily at fault for her injuries are the biological parents, Dexter Williams, Sr. and Stephanie Hylard. Both are currently incarcerated with the Florida Department of Corrections after being found guilty of aggravated child abuse of L.E.² The criminal charges relate to numerous occasions in September of 2019 in which L.E. was shaken. Her ribs were broken from the strength of the grip while her brain was

¹ L.E. are the initials of the injured child. The initials are used to protect the identity of the child. The Special Master knows the full name and identity of the child and her adoptive parents.

² Dexter was sentenced to 11 years and Stephanie sentenced to 7 years. Source: Florida D.O.C. Inmate Search.

damaged by the shaking and by contact with a hard surface. Her ribs have healed, but her brain will never fully recover.

The question that this claim bill explores is the liability of the state in placing L.E. in the care and custody of her natural parents. That is, was DCF negligent in deciding to forego foster care placement and instead place L.E. in the care and custody of Williams and Hyland?

Birth and Initial Investigation

At the time of L.E.'s birth on July 29, 2019, her biological father, Dexter Williams, Sr. and biological mother, Stephanie Hyland, were an unmarried couple living together in a home in Cocoa Beach, Florida. He was 28, she was 26. Dexter had two children from a prior relationship. He had been awarded primary residence of these two children. Stephanie also had two children from a prior relationship. Their primary residence was with their biological father and they periodically visited Stephanie. Stephanie had a third child who was surrendered for adoption. While pregnant with L.E. she was talking to an adoption agency about surrender.

The initial DCF notes pointed out that Dexter and Stephanie "have an extensive and concerning history with DCF and law enforcement."³ Stephanie's two children were previously in foster care, and Dexter's 6-month-old daughter was placed in shelter after doctors discovered broken bones that suggested abuse.⁴ Altogether, one or both of them had been named in 24 DCF investigations between 2013 and 2019.

At that time, Stephanie was on pre-trial release on a 2018 felony charge of battery on a pregnant person.⁵ Brevard County court records show that Stephanie had been involved in 28 court cases, including 9 civil cases related to domestic or dating violence, 6 misdemeanor arrests related to domestic violence incidents, and the 2018 battery.⁶ The clerk's records show that Dexter, as of the birth of L.E., had been involved in

³ DCF notes of 07/29/2019, record DCF00681.

⁴ *Id.* at DCF00682.

⁵ Brevard Circuit Case No. 05-2018-CF-019734-AXXX-XX. The pregnant person was Dexter's former live-in girlfriend, and she was carrying a baby that presumably was Dexter's. The fight occurred in the driveway of Dexter's trailer.

⁶ Records of the Brevard County Clerk of Courts, public search page at: https://vmatrix1.brevardclerk.us/beca/beca_splash.cfm

12 court cases, including 2 related to domestic violence incidents and a 2014 misdemeanor arrest for domestic battery.

The hospital performed routine bloodwork immediately after L.E.'s birth. That bloodwork revealed that Stephanie was under the influence of amphetamines and that amphetamines had crossed the placental barrier and were in the infant's blood. Florida hospitals are required by law to report suspected child abuse. Accordingly, the hospital properly called the DCF abuse hotline to report the test results. Hours after the birth, Dexter and Stephanie got into an argument in her hospital room during which she threw an object at Dexter.⁷ The hospital properly reported this domestic violence incident to the abuse hotline. Stephanie checked out of the hospital against medical advice, leaving the infant.

DCF dispatched a Senior Child Protective Investigator (a state employee, hereinafter "CPI") who promptly responded to the two reports.⁸ The CPI queried the DCF databases and discovered the numerous past investigations of Dexter and Stephanie where the two had been investigated for domestic violence and child abuse. She discovered the numerous brushes with law enforcement officials (see above). She interviewed the hospital staff. She interviewed Dexter and Stephanie and went to their home.

There is inconsistent evidence regarding whether the CPI interviewed the two other children of Dexter that lived full-time with Dexter and Stephanie. It is clear that she did not interview the two other children of Stephanie who lived with Dexter and Stephanie on alternating weekends. Statutes require that DCF interview other children living in the household within 24 hours of the initial report.⁹ Interviewing other children in the house is vital to these investigations.¹⁰ The parent can object to the interview, but DCF may obtain a court order to compel an interview.¹¹ The CPI in her deposition testified that Dexter

⁷ Two different accounts describe the object as a 5-pound cell phone charger brick. Either the weight or the description of the item is incorrect. It is believed that the argument was over whether to keep the newborn or surrender her for adoption.

⁸ Note that a "senior" CPI was appointed. A senior CPI has more training and experience.

⁹ Section 39.301(9)(a)2., F.S.

¹⁰ The practice manual says that children are the "most unbiased source for information" and "are also the least guarded in disclosing sensitive information." Procedure 18-2.c.(4) of CFOP 170-5.

¹¹ Section 39.301(12), F.S.

would not give permission to interview his children.¹² However, the DCF case notes indicate that the siblings were interviewed but gave no useful information.¹³ In later interviews conducted by local law enforcement officials some of the other children in the house freely discussed the living conditions in the home.¹⁴ The greater weight of the evidence is that the DCF case note incorrectly indicated that the sibling interview had occurred. It is possible that the entry was falsified in order to claim compliance with the statute. Had DCF interviewed those children while L.E. was still in the hospital, DCF may have discovered a house full of anger and abuse, the parents then would have been referred to services and perhaps to the criminal justice system, and L.E. would likely have been placed in foster care and never injured. The false entry or the failure to insist on an interview of these children were mistakes, the first of many in this matter.

First Placement After Birth

At this point, newborn L.E. was still safely in the hospital nursery. Of course, she could not stay there long. The DCF employees still had a long history of encounters with child protective services and the criminal justice system, the hospital records showing illegal drug use by the mother that had affected the newborn, and an aggravated battery domestic violence incident within hours of birth. Based on this information, the CPI pursued an out-of-home placement of the newborn who would shortly be discharged from the hospital. DCF policy rightfully required the CPI to first see if the parents would consent to an out-of-home placement before invoking legal remedies. She discussed the issue with the parents who agreed that the newborn infant should not immediately go home with them. Per DCF policy, an out-of-home placement must first look to qualified and willing relatives, then qualified and willing friends, and, if none, then the child is placed in foster care.

The parents were unable to offer an acceptable family placement, but suggested a placement with a family friend. The family friend they offered was Cristy Cooke, Stephanie's supervisor at the Sonic drive-in restaurant in Cocoa Beach. She passed the background screening. However, Christy was

¹² Deposition of Kelly Plantier, 91 (Sept. 11, 2023).

¹³ DCF Chronological Notes Report, entry dated July 30, 2019.

¹⁴ Video Exhibits 11,14, 17 and 20, (Sept. 25, 2019).

in fact not a close friend but better described as an acquaintance. She had no experience with babies, had no supplies (e.g. no crib, bottles, clothes, etc.), and she could only keep the infant for three weeks as her wife was scheduled for a surgical procedure. She also had no plan for daycare for L.E. and ended up taking L.E. to work with her at Sonic. So, instead of a quiet dark peaceful environment for the newborn to transition from the womb, L.E. spent large parts of the first few weeks of her life in a car seat at a busy loud and bright drive-in restaurant. It is important to note that the placement violated DCF policy. That policy provides that out-of-home placement with a non-relative is only appropriate when the child has a prior relationship with the caregiver.¹⁵ As a newborn infant, L.E. had no close relationship to anyone other than her birth mother. The placement with Cristy Cooke was the second mistake committed by DCF. Fortunately, that placement did not appear to cause permanent harm.

L.E. Is Placed with Her Biological Parents

Less than three weeks after taking custody of L.E., Cristy Cooke spoke to DCF to say that her wife's surgery was happening and that she could no longer keep L.E. This was not a surprise. At this point, Dexter and Stephanie were cooperating with the few requests of DCF. They were showing interest in the infant, and Stephanie had passed a drug test (but only because she cheated on it).¹⁶ The CPI still thought that out-of-home placement was appropriate, and that the newborn was not safe if placed with the parents.¹⁷

This left foster care as the appropriate placement. Her supervisors at DCF, however, disagreed. They directed that the newborn live with Dexter and Stephanie, who would continue to receive services from the lead agency. The "lead agency" is a private entity that contracts with DCF to provide services to families. On August 21, 2019, DCF made its third and biggest mistake in this matter in ignoring the judgment of the CPI and placing the vulnerable 23-day-old infant in the full-time care of Dexter and Stephanie.

¹⁵ F.A.C. 65C-29.003(3)(a)1.c.

¹⁶ In a deposition from prison, Stephanie admitted that she was still using illegal drugs at the time. She also admitted that she purchased clean urine from a local head shop prior to her drug test, and the drug test monitor did not watch the discharge of the sample and allowed Stephanie to bring her purse into the bathroom for the collection of the sample. Deposition of Stephanie Hylard, 179 (Oct. 2, 2023).

¹⁷ Deposition of Kelly Plantier at 161.

It is hard to understand this decision. Barely three weeks had elapsed. Dexter and Stephanie both had a long history of abusing children. The likelihood that they would abuse L.E. should have been clear to anyone. Stephanie's drug treatment counseling was still in the evaluation stage, no treatment had been provided.¹⁸ Both parents had exhibited violent behavior on numerous occasions in their lives, yet no anger management therapy or treatment had even been offered, let alone completed. The siblings had not been interviewed. Yet, it seems that DCF policy and practice, at least in this office at that time, was to prioritize family togetherness with the belief that so long as services were being provided to the family, no harm would come to a child.

One employee of the lead agency who was particularly strong in opposing shelter was not realistic in her thinking, saying that past behavior is not a good indication of future behavior.¹⁹ She also thought the main need of the parents was to learn to communicate with each other.²⁰ It is clear from the record that Dexter and Stephanie were faking cooperation while continuing to exhibit dangerous behaviors. The DCF management, and the lead agency, were duped.

L.E. is Abused

It did not take long for trouble to occur. The evidence shows that sometime in early September, L.E. suffered rib fractures and head trauma consistent with child abuse by shaking.²¹ This is a mere two to three weeks after Dexter and Stephanie assumed custody of L.E. Further rib fractures occurred approximately two weeks later, together with head trauma from a "direct blow" to the head.²² One sibling who witnessed

¹⁸ Deposition of Jennifer Brown, a mental health counselor. Her first counseling appointment with Stephanie was on August 28, a week after L.E. was placed with Dexter and Stephanie. At page 45.

¹⁹ Deposition of Natalie Harpold, 50 (Sept. 13, 2023).

²⁰ *Id.* at page 166. Note that she said this knowing of the physical abuse! Why or how she could not see that anger management was the problem and was the needed therapy is unclear if not unbelievable.

²¹ Deposition of Dr. Shawn Gough-Fibkins, 31-32, 36 (June 14, 2024). "So the way these fractures occur, which are classic fractures of child abuse, is the child is grabbed around the chest cavity with adult-sized hands, squeezed, lifted and shaken. And when you do that to these ribs, which are not like your ribs or my ribs, they are softer, and the way -- the relationship of the hand to the chest and the way it's squeezed and -- and thrashed essentially, the ribs don't fracture -- they -- they tend to fracture in this posterior pattern."

²² *Id.* at page 28.

the abuse of L.E. said that Dexter shook L.E. because her crying interfered with his video game.²³

Meanwhile, the lead agency was supposed to be providing safety services to protect L.E. The services were clearly inadequate and inappropriate. For instance, an employee of the lead agency met with Dexter and Stephanie on September 21, 2019, to give them a parenting lesson in rewards and praise for good behavior²⁴ (as opposed to punishment for bad behavior). It is unclear how this would be relevant to a newborn who does not understand language or the concepts of right and wrong.

The therapy was also wholly ineffective, as just three days later Stephanie appeared to scream at, and is shown to have physically abused Dexter's two other children by blows to the head and threatening with a closed fist. The video did not record audio, but it appears that Stephanie was angry at the children for not getting dressed fast enough.²⁵

Believing that they saw progress, however, on September 9, 2019, the supervision level with the lead agency had been decreased from supervision by the Safety Management Team to NonJudicial In-Home Services. A discharge summary note of September 16, 2019, said that Dexter and Stephanie had "graduated" and the "family closed successfully."²⁶ Dexter and Stephanie were notified of this on September 17, 2019. Note that by that date L.E.'s ribs had been broken by abuse some one to two weeks earlier, and again on or around that day.

On Saturday, September 21, 2019, Cristy Cooke (the Sonic manager who cared for L.E. for three weeks) received a text from Stephanie that included a picture of L.E., who was at this point just shy of eight weeks old. This was the one month anniversary of L.E. living with Dexter and Stephanie. Cristy noted that L.E. appeared to have a finger-sized indent in her head. Stephanie commented about feeding issues and odd behavior. Cristy urged Stephanie to take L.E. for medical

²³ Video Exhibit 20 (Sept. 25, 2019).

²⁴ Deposition of Debra Brag-Caron, 126 (Oct. 6, 2023).

²⁵ Video Exhibit 43, channel 8 (Sept. 24, 2019). This is video only, no audio was recorded. Dexter had installed video cameras throughout the home, the recordings were seized by law enforcement officials during a lawful search of the home.

²⁶ DCF Progress Notes (Sept. 16, 2019)

care.²⁷ On Monday, September 23, 2019, an employee of the lead agency visited the home and noted lethargy in L.E., but did nothing. Medical testimony was that lethargy may indicate brain damage, and thus it should have been investigated. However, it wasn't until Wednesday, September 25, 2019, that Stephanie finally took L.E. for medical treatment. Law enforcement was contacted, and Dexter and Stephanie were arrested. The four young children in the house were interviewed and two described the abuse on L.E.²⁸

Injuries Found

L.E. was brought to the local hospital emergency room at 10:34 am on September 25, 2019. She was one month and 27 days old. The primary complaint identified by Stephanie was that L.E. was "not eating right."²⁹ Shortly after arrival, the doctors discovered head injuries and broken ribs indicative of child abuse. DCF and law enforcement were contacted.³⁰ The medical staff further discovered cerebral edema (which is fluid in the brain, usually indicating bleeding from trauma), skull fracture, and multiple rib fractures, all of which indicated "child abuse syndrome."³¹ L.E. started suffering seizures.³²

The local hospital recognized the need for specialized care, and L.E. was transferred to Nemours Children's Hospital in Orlando. She stayed there until October 3 (eight days). The final diagnosis of medical issues found: child physical abuse, multiple rib fractures, skull fracture, retinal hemorrhage, traumatic subdural hematoma, failure to thrive, and malnutrition.³³ They noted that L.E. was only two ounces heavier than at birth. The lack of weight gain was unusual in a newborn and a sign of neglect.³⁴

Current Status of L.E.

L.E. currently resides in Chicago with her adoptive parents. She is enrolled in Medicaid. She receives physical therapy,

²⁷ Deposition of Cristy (Cooke) Rall, 92 -121 (Sept. 28, 2023).

²⁸ Video Exhibits 11 and 20 (Sept. 25, 2019).

²⁹ Rockledge Regional Medical Center records, 6 (Sept. 25, 2019).

³⁰ *Id.* at page 12.

³¹ *Id.* at page 13.

³² *Id.* at page 14.

³³ Nemours at 14.

³⁴ *Id.* at 17.

speech therapy, nursing services and counseling through the exceptional student education (ESE) programs of the local school district.³⁵ Her adoptive mother receives payments from a special needs trust created after the recoveries from the other defendants to the action.³⁶

L.E. appeared at the Special Master hearing in Tallahassee on February 10, 2025. She appeared cheerful with relatively normal affect for a 5-year-old. She appears small for her age, and showed minor difficulty with balance and movement. A 2024 psychological test resulted in an IQ score of 81, which is low average.³⁷ The psychologist opines that L.E., as an adult, will be able to learn basic repetitive tasks that might qualify her for low level employment, but she will not be able to live alone and her impulsive nature would make long-term employment with any one employer difficult.³⁸

Measure of Damages

At the outset, it should be noted that the Special Master did not receive an adequate presentation regarding damages. As is typical in claim bill hearings, the claimant presented a life care plan followed by an economic analysis of those costs adjusted to current levels after factoring projected investment earnings and the effects of inflation. The same evidence would be expected in a jury trial. However, in a normal jury trial the defense would cross examine the experts and would present alternatives. Typically, the competing experts would be far apart, and the jury would work it out. Here, DCF did not challenge the damages.

Additionally, the life care plan includes suspected inflated figures, excessive utilization of services, and inclusion of charges for medical services that likely will be covered by Medicaid or private insurance. These flaws are obvious and call into question the claimant's demands and the amount of the settlement. For instance, the life care plan contemplates hiring a full-time aide to follow L.E. around school. It contemplates a lifetime of 24/7 live-in help (i.e. personal care attendant). The plan charges full price for medical services, apparently ignoring Medicaid coverage. The plan includes the

³⁵ Deposition of Colleen Estrada, 16 (Apr. 23, 2024).

³⁶ Testimony of Colleen Estrada, claim bill hearing Tallahassee (Feb. 10, 2025).

³⁷ *Confidential Psychological Evaluation*, Dr. Lisa Settles, Psy.D., 12 (June 7, 2024).

³⁸ *Id.* at 24.

cost of ordinary items like electric toothbrushes. Apparent questionable estimated expenses include a custom stroller at \$5,700 and a lifetime of tricycles.

The economist employed by the claimant estimates the present value to fund the life care plan to range between \$11.6 million and \$17.6 million.³⁹

No evidence was presented regarding noneconomic damages.

LITIGATION HISTORY:

The guardian of L.E. filed a civil action against the Department of Children and Families on June 21, 2022. DCF was not the only defendant accused of negligence in the action, co-defendants were the Brevard Family Partnership (the lead agency) and Aspire Health Partners (a subcontractor of the lead agency). The claimant had settled with all defendants before trial. Aspire agreed to and has paid the sum of \$100,000. Brevard Family Partnership agreed to and has paid the sum of \$3,250,000. DCF agreed to a settlement of \$4 million, of which \$200,000 has been paid and the remaining \$3.8 million is payable at the discretion of the Legislature.

DCF agreed to not oppose this claim bill. As such, DCF did not furnish any evidence, call any witness, or make any argument against the claim.

The biological parents Dexter Williams, Sr. and Stephanie Hyland were not named as defendants in the lawsuit. They could have been named as defendants for the intentional tort of battery.

The guardianship for L.E. has already collected a total of \$3.55 million in this case, \$3.25 million from the lead agency, \$100,000 from a subcontractor of the lead agency, and \$200,000 from DCF. After attorney fees and costs, \$600,000 was used to purchase two long-term annuities, the second of which is guaranteed through the remainder of L.E.'s life. The remaining sum of just over \$1.1 million went into a special needs trust.

³⁹ Raffa, *Economic Loss Analysis in the Matter of L.E.* (Feb. 20, 2023).

Parental rights in Dexter and Stephanie were terminated by the circuit court. L.E. was legally adopted by her maternal grandmother and her husband. The adoptive mother is Stephanie Hylard's biological mother.

The parents were convicted of aggravated child abuse and felony child neglect. Dexter Williams, Sr. is currently in the custody of the Florida Department of Corrections with an estimated release date of December 30, 2029. Stephanie Hylard is currently in the custody of the Florida Department of Corrections with an estimated release date of September 10, 2025.⁴⁰ Upon release she will serve 10 years drug offender probation.⁴¹

CONCLUSIONS OF LAW:

The Department of Children and Families is a state agency wholly controlled by the State of Florida. The state is liable for negligence by DCF, its employees and contractors, under the doctrine of *respondeat superior*. Claims against DCF are subject to the legal concept of sovereign immunity. Under sovereign immunity, the state is not liable in tort for the action (or inaction) of DCF or its employees. Pursuant to constitutional authority, however, the state has enacted a partial waiver of its sovereign immunity for actions that would be negligent if committed by a private actor. If the waiver applies, the state will pay a final judgment or settlement up to \$200,000 for a single injured party. The remainder of the judgment or settlement is only payable upon approval of a claim bill.

The waiver of sovereign immunity only applies to an action or a failure to act that is negligent if committed by a private actor. These are commonly referred to as "operational level" actions or inactions. There is no waiver, and no right to recovery, for a planning level function of government. So, for example, a decision on whether to install a stop light at an intersection is a planning level decision not subject to a tort claim, but if the light is installed a failure to maintain the light is likely operational.

The leading case sets a four part test for whether the waiver applies.⁴²

⁴⁰ <https://pubapps.fdc.myflorida.com/OffenderSearch/InmateInfoMenu.aspx>

⁴¹ Sentencing Order, *State v. Stephanie Hylard*, July 17, 2020, at 2. Brevard County Case No. 2019CF47368-A.

⁴² *Trianon Park Condominium Assn. v. City of Hialeah*, 468 So.2d 912 (Fla. 1985).

(1) Does the challenged act, omission, or decision necessarily involve a basic governmental policy, program, or objective? (2) Is the questioned act, omission, or decision essential to the realization or accomplishment of that policy, program, or objective as opposed to one which would not change the course or direction of the policy, program, or objective? (3) Does the act, omission, or decision require the exercise of basic policy evaluation, judgment, and expertise on the part of the governmental agency involved? (4) Does the governmental agency involved possess the requisite constitutional, statutory, or lawful authority and duty to do or make the challenged act, omission, or decision? If these preliminary questions can be clearly and unequivocally answered in the affirmative, then the challenged act, omission, or decision can, with a reasonable degree of assurance, be classified as a discretionary governmental process and nontortious, regardless of its un wisdom. If, however, one or more of the questions call for or suggest a negative answer, then further inquiry may well become necessary, depending upon the facts and circumstances involved.⁴³

In the context of child abuse investigations, there are two leading Florida Supreme Court cases. In a 1988 case alleging that the agency did not place an infant in protective custody despite evidence of prior abuse, the court found that an action or inaction by a child protective investigator will nearly always be operational in nature.⁴⁴ In a 1995 case, however, the court found that decisions by the agency regarding which services to provide a dependent child are considered planning level, warning that “making [DCF] liable for tort damages for its mistakes in judgment in carrying out this task would considerably impair the exercise of that function. . . . the courts, through tort actions, are ill-suited to second-guess

⁴³ *Com. Carrier Corp. v. Indian River Cnty.*, 371 So. 2d 1010, 1019 (Fla. 1979) (finding negligent maintenance of a traffic signal to be operational). See also *Trianon Park Condominium Assoc., Inc. v. City of Hialeah*, 468 So.2d 912 (Fla. 1985) (finding failure of city building inspector to discover construction flaws to be a planning level function for which no liability applies).

⁴⁴ *Dept. of Health and Rehabilitative Services v. Yamuni*, 529 So.2d 258 (Fla. 1985).

[DCF's] decisions as to the provision and choice of services each time there is an unsatisfactory outcome.”⁴⁵

In this case, DCF did not argue the issue at the trial court prior to settlement, so we can only speculate as to how the court might rule had they filed a motion to dismiss. The Special Master finds that the greater weight of case law leads to the legal conclusion that the actions and inactions by DCF in this case were operational in nature.

If a court were to find that ordinary negligence law applies, the court that would hear this matter would be required to decide whether the basic elements of negligence are proven, namely: duty, breach, causation and damages.

The duty of DCF in this regard is best stated in the first two paragraphs of the purposes and intent section of the governing statute:

39.001 Purposes and intent; personnel standards and screening.—

(1) PURPOSES OF CHAPTER.—The purposes of this chapter are:

(a) To provide for the care, safety, and protection of children in an environment that fosters healthy social, emotional, intellectual, and physical development; to ensure secure and safe custody; to promote the health and well-being of all children under the state's care; and to prevent the occurrence of child abuse, neglect, and abandonment.

(b) To recognize that most families desire to be competent caregivers and providers for their children and that children achieve their greatest potential when families are able to support and nurture the growth and development of their children. Therefore, the Legislature finds that policies and procedures that provide for prevention and intervention through the department's child protection system should be based on the following principles:

1. The health and safety of the children served shall be of paramount concern.

⁴⁵ *Dept. of Health and Rehabilitative Services v. B.J.M.*, 656 So.2d 906, 914 (Fla. 1985).

2. The prevention and intervention should engage families in constructive, supportive, and nonadversarial relationships.

3. The prevention and intervention should intrude as little as possible into the life of the family, be focused on clearly defined objectives, and keep the safety of the child or children as the paramount concern.

4. The prevention and intervention should be based upon outcome evaluation results that demonstrate success in protecting children and supporting families.

Complying with these statements of policy is the measure of DCF's duty, and their failure to comply with the duties is evidence of breach.

In determining the legal duty that DCF owed to L.E., the Special Master looked to DCF materials outlining the standards for out-of-home placement. Section 39.301(14)(c)1., F.S., states that DCF must by rule establish "[c]riteria that are factors requiring that the department take the child into custody, petition the court as provided in this chapter, or, if the child is not taken into custody or a petition is not filed with the court, conduct an administrative review." That requirement is over 20 years old, but no rule has ever been promulgated. Similarly, the DCF practice manual does not discuss criteria.⁴⁶ Because DCF has not specified the standard, a court would have to speculate as to legal duty and breach based on the broad statements in statute and the court's common sense.

What appears evident, upon review of the entire file, is that DCF in this case prioritized the family-centered goals at the expense of ensuring safety of the infant.⁴⁷ Safety was supposed to be the "paramount concern" of DCF. It was not. If safety had been the paramount concern, L.E. would have gone straight from the hospital to foster care. Ignoring the high likelihood that Dexter and Stephanie's past and present behavior would likely continue and thus lead to abuse of the vulnerable newborn was negligent. The only expert on child

⁴⁶ CFOP 170-5 Child Protective Investigations

⁴⁷ The testimony of a lead agency employee is illustrative of this attitude. She testified that she had concerns about the placement, but believed that the role of the lead agency was to keep families together by providing services. Deposition of Jami White, 70 (Aug. 9, 2024).

abuse systems testified that L.E. should have been placed in foster care at birth.⁴⁸

Had it gone to a jury, this negligence claim would have been subject to the comparative fault statute.⁴⁹

ATTORNEY FEES:

The claimant's attorney has received fees in the amount of \$1,390,000 from settlements related to claims against private entities that were claimed to be partially responsible for L.E.'s injuries, and from the partial payment of the settlement with DCF. The claimant's attorney will limit the fees on any recovery against the State resulting from this claim bill to the statutory limit of 25%. Past court costs advanced by the plaintiff attorneys, including expert witness fees, do not appear unreasonable and have already been reimbursed from other recoveries.

RECOMMENDATIONS:

The undersigned recommends consideration of a lower claim amount that considers the substantial recoveries already paid and the insufficient proof of monetary damages.

As to liability, the undersigned recommends that the bill be reported FAVORABLY.

Respectfully submitted,

Nathan L. Bond
Senate Special Master

cc: Secretary of the Senate

⁴⁸ Deposition of Joyce Taylor, 43 (Aug. 6, 2024).

⁴⁹ Section 768.81, F.S.

By Senator Calatayud

38-00037-26

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1 A bill to be entitled
 2 An act for the relief of L.E. by the Department of
 3 Children and Families; providing an appropriation to
 4 compensate L.E. for injuries and damages sustained as
 5 a result of the negligence of the department;
 6 providing a limitation on compensation and the payment
 7 of attorney fees; providing an effective date.
 8
 9 WHEREAS, L.E. was born on July 29, 2019, and, at birth,
 10 tested positive for amphetamines, and
 11 WHEREAS, L.E.'s biological mother tested positive for
 12 amphetamines after the delivery of L.E., and
 13 WHEREAS, while at the hospital, L.E.'s biological mother
 14 and father engaged in a violent altercation with each other, and
 15 WHEREAS, shortly after L.E.'s birth, the Department of
 16 Children and Families received two child abuse hotline reports,
 17 one alleging intrafamily violence threatening L.E. and the other
 18 alleging drug exposure of newborn L.E., and
 19 WHEREAS, under s. 39.001, Florida Statutes, the department
 20 is charged with the duty of conducting child protective
 21 investigations to ensure child safety and prevent further harm
 22 to children and owed L.E. a duty to ensure her safety and
 23 prevent further harm, and
 24 WHEREAS, the department sent a child protective
 25 investigator to the hospital to initiate an investigation of the
 26 reported abuse, and
 27 WHEREAS, the department discovered that L.E.'s mother had a
 28 history of substance abuse, untreated mental health issues, and
 29 a criminal history involving violence, and

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30 WHEREAS, the department discovered that both L.E.'s mother
 31 and father had an extensive history of involvement with the
 32 department, including, collectively, at least 20 prior child
 33 abuse hotline reports, and
 34 WHEREAS, one of those prior reports involved egregious
 35 abuse of L.E.'s biological father's other daughter when she was
 36 not yet 6 months old, resulting in long-bone fractures, and
 37 WHEREAS, the department removed that daughter from the
 38 father's care, and
 39 WHEREAS, L.E.'s mother's other two biological children had
 40 previously been removed from her care due to verified child
 41 abuse, and
 42 WHEREAS, as L.E.'s mother placed her third child for
 43 adoption, she was also planning to place L.E. for adoption and
 44 made such arrangements before L.E.'s birth, and
 45 WHEREAS, shortly after L.E. was born, L.E.'s mother
 46 abandoned L.E. at the hospital and, against medical advice, left
 47 the hospital with L.E.'s father, and
 48 WHEREAS, an adoption specialist arrived at the hospital to
 49 visit L.E., and
 50 WHEREAS, while L.E. was still in the hospital following her
 51 birth, the department determined that L.E. was in "present
 52 danger" if left in the care of her parents and that immediate
 53 action was necessary to protect L.E. from further abuse or
 54 neglect, and
 55 WHEREAS, the department contracted with a child welfare
 56 agency and, instead of removing L.E. from her parents' care
 57 through a judicial process, the department and its subcontractor
 58 developed an out-of-home safety plan to place L.E. with a friend

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59 of L.E.'s mother, and

60 WHEREAS, within 3 weeks after that placement, the friend
61 realized that she could no longer care for L.E. and informed the
62 department of this, and

63 WHEREAS, despite a reassessment that established that there
64 was still a "present danger" to L.E. if left in the care of her
65 parents, the department relied upon information from its
66 subcontracted agency, and the joint decision was made to place
67 L.E. into her parents' care, and

68 WHEREAS, on August 21, 2019, L.E. was placed into her
69 parents' home, and

70 WHEREAS, on or about September 17, 2019, less than 4 weeks
71 later, the department determined that it would be closing its
72 investigation, despite acknowledging that L.E.'s home situation
73 was volatile and unstable and that L.E.'s mother remained
74 violent and impulsive, and

75 WHEREAS, the subcontractor planned to decrease its
76 monitoring of L.E. and the home upon the department closing its
77 investigation, and

78 WHEREAS, on September 18, 2019, the subcontractor
79 transitioned its services from safety management to nonjudicial
80 in-home services, which inherently decreased monitoring of L.E.
81 by child welfare professionals, and

82 WHEREAS, on September 24, 2019, the department closed its
83 investigation, despite having no evidence of change or progress
84 with L.E.'s parents, and

85 WHEREAS, despite the subcontractor's claims that it had
86 provided services to the parents, the department expressly
87 acknowledged in its own investigative summary that, at the time

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88 of closing its case, "[t]he home environment continues to be
89 volatile and unstable on a normal basis. The fighting in the
90 home will stabilize for a period of time but will always return
91 to a chaotic and aggressive environment... [violent and
92 impulsive behaviors] are clearly evident and severe... there
93 [have] been no clear changes made to their behaviors and the
94 patterns continue... [and] all of the children [including L.E.]
95 are vulnerable," and

96 WHEREAS, the very next day, on September 25, 2019, L.E. was
97 brought to Rockledge Regional Hospital in distress and
98 experiencing seizures, and

99 WHEREAS, medical staff at Rockledge Regional Hospital found
100 makeup covering obvious bruising across her forehead, and

101 WHEREAS, doctors determined that L.E. had suffered
102 catastrophic injuries from child abuse which had occurred over a
103 period of time, including a parietal calvarial skull fracture; a
104 left frontal parietal subdural hematoma with bilateral frontal,
105 temporal, and parietal cortical edema and encephalomalacia;
106 healing fractures of the left sixth and seventh ribs; a healing
107 fracture of the right eighth rib; acute fractures to the right
108 tenth and eleventh ribs; a pelvic fracture-left acetabular
109 cortical avulsion fracture; cortical buckling of the right
110 proximal tibial medial metaphysis; and multiple ecchymotic
111 lesions to the forehead, and

112 WHEREAS, L.E. was immediately transferred to Nemours
113 Children's Hospital in Orlando and admitted in critical
114 condition, due to severe organ system injury and dysfunction,
115 and was diagnosed as being at risk for hypoxia, hypercarbia,
116 hypotension, sepsis, shock, cardiorespiratory arrest,

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117 intracranial hypertension, cerebral edema, stroke, and death,
 118 and

119 WHEREAS, L.E. was diagnosed with shaken baby syndrome
 120 causing traumatic brain injury, seizures, and cerebral palsy, as
 121 well as malnourishment, and

122 WHEREAS, between August 21, 2019, and September 25, 2019,
 123 L.E. was subjected to repeated and severe child abuse and
 124 neglect while in the care of her parents, and

125 WHEREAS, L.E.'s parents were arrested, charged, and
 126 convicted of aggravated child abuse, based upon their abuse of
 127 L.E. while she was in their home between August 21, 2019, and
 128 September 25, 2019, and

129 WHEREAS, L.E. was subsequently adopted by her maternal
 130 grandmother and relocated to Chicago, where she is followed by a
 131 medical team at Lurie Children's Hospital, and

132 WHEREAS, L.E. has received, and will continue to receive,
 133 therapeutic services across a host of disciplines, including
 134 occupational, physical, speech, nutritional, vision, and
 135 cognitive therapy, and

136 WHEREAS, L.E., who just turned 6 years old, is currently
 137 under an individual educational plan at school for her
 138 disability, which has been formally classified as traumatic
 139 brain injury, and

140 WHEREAS, L.E. requires and will continue to require
 141 constant care, monitoring, supervision, various therapies,
 142 multiple specialist services, and supportive care throughout the
 143 remainder of her life, which may include admission to a skilled
 144 residential home if her adoptive parent is no longer able to
 145 care for her, and

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146 WHEREAS, the department, charged with the responsibility
 147 for operating Florida's child welfare system, failed in its
 148 duties to ensure L.E.'s safety and protect her from harm, and
 149 WHEREAS, the department's negligence, in combination with
 150 the failures of its subcontracted agency, resulted in
 151 catastrophic brain injury that will have a significant impact on
 152 L.E. for the remainder of her life, and

153 WHEREAS, the department agreed to resolve L.E.'s claims
 154 against the department through a negotiated settlement in the
 155 Circuit Court for the 18th Judicial Circuit in and for Brevard
 156 County, under case number 05-2022-CA-033685, in the total amount
 157 of \$4 million, and

158 WHEREAS, the settlement agreement required that the
 159 department make an initial payment of \$200,000, which is the
 160 maximum amount allowed under the sovereign immunity limitations
 161 imposed under s. 768.28, Florida Statutes; and that the
 162 remaining \$3.8 million be paid contingent upon the passage and
 163 funding of this claim bill, which the department has expressly
 164 agreed it does not and will not oppose, and

165 WHEREAS, on July 9, 2024, the settlement agreement was
 166 approved by the circuit court, and, with the department's
 167 agreement and consent, a final judgment was entered against the
 168 department in the amount of \$4 million pursuant to the
 169 negotiated settlement, and

170 WHEREAS, L.E.'s civil claims against the subcontracted
 171 child welfare agency remain pending, NOW, THEREFORE,

172
 173 Be It Enacted by the Legislature of the State of Florida:
 174

38-00037-26

20266__

Section 1. The facts stated in the preamble to this act are found and declared to be true.

Section 2. The sum of \$3.8 million is appropriated from the General Revenue Fund to the Department of Children and Families for the relief of L.E. for injuries and damages sustained as a result of the negligence of the department.

Section 3. The Chief Financial Officer is directed to draw a warrant in favor of L.E., payable to the irrevocable trust which has already been created for the exclusive use and benefit of L.E., in the sum of \$3.8 million upon funds of the Department of Children and Families in the State Treasury and to pay the same out of such funds in the State Treasury.

Section 4. The amount paid by the Department of Children and Families pursuant to s. 768.28, Florida Statutes, and the amount awarded under this act are intended to provide the sole compensation for all present and future claims against the department arising out of the factual situation described in this act which resulted in injuries and damages to L.E. The total amount paid for attorney fees relating to this claim against the department may not exceed 25 percent of the total amount awarded under this act.

Section 5. This act shall take effect upon becoming a law.



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 12, 2026

I respectfully request that **Senate Bill #6**, relating to Relief of L.E. by the Department of Children and Families, be placed on the:

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

A handwritten signature in cursive script that reads "Alexis Calatayud".

Senator Alexis Calatayud
Florida Senate, District 38



THE FLORIDA SENATE

SPECIAL MASTER ON CLAIM BILLS

Location
409 The Capitol

Mailing Address
404 South Monroe Street
Tallahassee, Florida 32399-1100
(850) 487-52229

DATE	COMM	ACTION
1/29/26	SM	Favorable
2/3/26	JU	Favorable
2/12/26	ATD	Favorable
3/2/26	AP	Favorable

January 29, 2026

The Honorable Ben Albritton
President, The Florida Senate
Suite 409, The Capitol
Tallahassee, Florida 32399-1100

Re: **SB 26** – Senator McClain and Senator Massullo
HB 6509 – Representative Grow
Relief of the Estate of Mark LaGatta by the Department
of Transportation

SPECIAL MASTER'S FINAL REPORT

THIS IS AN UNCONTESTED CLAIM FOR STATE FUNDS IN THE AMOUNT OF \$2.2 MILLION, PAYABLE BY THE DEPARTMENT OF TRANSPORTATION BASED ON A SETTLEMENT AGREEMENT BETWEEN MARK LAGATTA AND THE D.O.T. THE SETTLEMENT AGREEMENT RESOLVED A CIVIL ACTION THAT AROSE FROM THE ALLEGED NEGLIGENCE OF EMPLOYEES OF D.O.T. THAT CAUSED INJURY TO MARK LAGATTA AND HIS DAUGHTER FAITH LAGATTA. MR. LAGATTA RECENTLY PASSED AWAY APPARENTLY DUE TO NATURAL CAUSES, AND HIS ESTATE OWNS THE RIGHT TO RECOVERY.

FINDINGS OF FACT:

General Overview of the Accident

On Monday, July 27, 2020, Mark LaGatta, a 56 year old resident of Lecanto (Citrus County), Florida, went on a motorcycle ride with his 18 year old daughter Faith LaGatta as passenger. He was lawfully operating a 2010 Harley Davidson motorcycle. They travelled from Lecanto to Cedar Key for a seafood lunch on the water on what they described as a Daddy-Daughter Lunch Date. It was a perfect Florida day

for a Florida resident to become a Florida tourist with a trip to the coast on a bright and sunny day.

Prior to the accident, Mr. LaGatta was a physically active father of five children and husband to his wife who is the mother of their children. He was honorably discharged from the United States Army and had been an Army contractor in the Middle East after his discharge. He enjoyed time with his wife and children, fixing his home, and riding his motorcycle. In his early adulthood in New York state, he was arrested three times for DUI. He has not had any brushes with the law in his many years as a citizen of Florida.¹ Mr. LaGatta has an unremarkable Florida driving history and had a motorcycle endorsement on his driver's license.²

On the day of the accident the Florida Department of Transportation was undertaking repairs to the westbound lane of State Road 24. SR 24 runs from Cedar Key in the west to Waldo in the east, travelling through Rosewood, Archer and Gainesville. In a rural area approximately 0.2 miles east of the intersection with SW 95th Avenue, Cedar Key (and approximately 0.4 miles east of the Rosewood memorial marker), a small sinkhole had opened in the westbound lane of the roadway. A DOT-owned tractor with a box blade attached on the rear, operated by a DOT employee, was being used to make temporary repairs to the roadway. The westbound lane was cordoned off with cones, and flagmen were stationed at either end of the open travel lane with radio communication to manage the one-lane traffic using the eastbound lane. Contrary to normal procedure, there was no spotter being used to assist the tractor driver in operating the tractor. Also, DOT service trucks were parked near the sinkhole and in a manner that partially blocked the tractor driver's view of vehicles that were in the travel lane. The tractor driver testified that the design of the cab caused blind spots that interfered with his views during backing up maneuvers. The highway at the location of the accident is two lane, relatively straight and flat, with a wide shoulder that tapers off from the road, rural and lined with mature pine trees, and has a normal speed limit of 60 mph.

¹ Given the history of DUIs, the Special Master felt compelled to request the blood test results from the emergency room medical records. The test result for alcohol was 0, showing that Mr. LaGatta was not under the influence of alcohol at the time of the accident.

² FHSMV driver record of Mark LaGatta, dated September 26, 2023.

Leaving Cedar Key, around 2:15 p.m., Mr. LaGatta and his daughter Faith were travelling eastbound when Mr. LaGatta slowed as he approached the construction zone. As directed by the flagman, he followed another vehicle into the construction zone. The tractor operator saw the other vehicle pass and proceeded to back into the eastbound travel lane, assuming that the vehicle was the only one sent through by the flagmen and thus not seeing the motorcycle. A nearby witness foresaw the imminent collision and immediately honked his horn, but to no avail. The witness testified that Mr. LaGatta appeared to apply brakes and attempted to steer away from the box blade, although pictures from the scene do not show skid marks. There was no evidence as to whether the construction zone had a special speed limit. The witness estimated the motorcycle was travelling at 30 miles per hour when the tractor with box blade entered the travel lane, which would appear to be a safe and appropriate speed for the conditions.

The motorcycle struck the box blade, causing Mr. LaGatta and his daughter to be thrown from the motorcycle. Both were injured, the more serious injuries being suffered by Mr. LaGatta.

The DOT employee at fault in the accident was issued a citation. The traffic court found him guilty and assessed a \$500 fine with 3 months driver license suspension and a requirement to attend the Advanced Defensive Driving School.³

Mr. LaGatta's Injuries and Immediate Care

Mr. LaGatta was not wearing a helmet but fortunately did not suffer a head injury that required treatment. Mr. LaGatta was taken by ambulance from the accident site to Shands Hospital in Gainesville, approximately 45 miles from the accident scene. He does not recall the ride, but medical records show that he was administered multiple doses of strong pain medications during the lengthy ride. Upon arrival at Shands it was noted that he had left leg open fractures⁴ of the tibia and fibula⁵, arterial bleeding at the injury site of the left leg, closed fractures of the right tibia and fibula, multiple facial

³ Levy County Clerk of Court records of Russell Dunn.

⁴ An "open" fracture refers to a severe fracture where the skin is cut or otherwise open, exposing the bone.

⁵ The tibia and fibula are the two long bones of the lower leg, the tibia being the larger of the two and the one that bears most of the body's weight. Breaking both is commonly referred to as a "tib-fib fracture," and is an unfortunately common result of motorcycle collisions.

lacerations, and a transoral laceration of the mandibular fold. He was awake and alert. The facial lacerations were treated in the emergency room and the right leg fractures were set. The left leg injuries, however, would require significantly more medical attention.

In the emergency room, Mr. LaGatta required immediate orthopedic and vascular surgery including 4 compartment fasciotomies and external fixation. He was admitted to the intensive care unit for management of his pain, fractures and severe rhabdomyolysis requiring CVVH therapy.⁶ He was intubated and placed in an induced coma. Over the next five days the lower leg injuries required multiple debridements that were unsuccessful in saving the leg from necrosis, and on August 2, 2020 (five days after the accident) the left leg was amputated at the mid-femur. The next day, another surgery was performed for further debridement of the left leg stump, pinning of the right tibia, and a tracheostomy to replace the intubation.

By August 15 (18 days post-accident), Mr. LaGatta was off the ventilator, his tracheostomy had been removed, his renal function was normal, and he was eating a normal diet. He transitioned in stable condition from the ICU to a regular hospital room. The next day he was discharged from Shands and transferred to a rehabilitation facility.

Faith LaGatta

Mr. LaGatta's daughter Faith was 18 years old on the date of the accident. She was wearing a helmet. She suffered unspecified serious injuries in the accident, but her injuries appear far less serious than those of her father. Her claims have been settled in full within the sovereign immunity limits.

Follow up Medical Care

Mr. LaGatta had follow-up care for his injuries. Significantly, he has received post-traumatic stress disorder (PTSD) care from the Veteran's Administration (VA). He was fitted for a basic prosthetic leg, which he considered unusable. He paid out-of-pocket for an advanced prosthetic leg which allowed him to walk short distances.

⁶ Rhabdomyolysis is kidney failure, which can be caused by severe trauma to other parts of the body. CVVH therapy is the temporary use of a mechanical external machine that simulates the functions of the kidneys.

Mr. LaGatta anticipated continuing PTSD treatment through the VA.

Mr. LaGatta lost numerous teeth because of the accident. He could not afford dental treatment and had not sought an estimate of the cost or feasibility of dental work. Had this claim bill passed during his lifetime it seems likely that he would have pursued extensive dental work.

The claimant furnished an economic report that he would have relied on had the case gone to a jury. The report estimated lifetime medical expenses related to the accident for Mr. LaGatta would be in the range of \$4.4 million to \$5.3 million.⁷ However, this estimate assumed that the claimant would utilize several medical procedures and therapies that were not actually being pursued and did not appear to be planned in the future. For instance, the plan proposed a dorsal column stimulator for pain relief (as much as \$158,179), a procedure that was not done. The plan contemplated lifetime costs for a prosthetic leg at between \$2.2 million and \$2.8 million, yet Mr. LaGatta bought his prosthesis for \$40,000. The plan proposed a lifetime of home health aides at a cost of \$1.8 million to \$1.9 million, no home health aides were employed. Mr. LaGatta died August 14, 2024, of natural causes at the age of 60. The evidence is sparse, but the Special Master estimates that unpaid medical expenses related to the immediate aftermath of the accident plus those incurred afterwards through his lifetime, and not covered by Medicaid or the VA, are perhaps \$200,000.

Mr. LaGatta's Employment and Lost Wages

At the time of the accident, Mr. LaGatta earned approximately \$35,000 annually as a maintenance engineer at a local golf course. He previously worked in maintenance at a hotel. These maintenance jobs required extensive physical exertion encompassing mobility, lifting and climbing. He maintained that due to the left leg amputation together with continued right leg pain and instability he was unable to work as a maintenance engineer. He further contended that due to age and injuries he was unable to work in or train for a sedentary career.

⁷ Kirby, *Analysis of Economic Damages*, RE: Mark LaGatta, page 2.

Mr. LaGatta had been evaluated by an expert in rehabilitative care who had assigned a 37% whole body permanent impairment rating.⁸

Given the impairment rating, his history of active physical labor, his age, his overall health, and the continuing effects of his injuries, it is reasonable to find that Mr. LaGatta has suffered a total loss of income, which loss cannot be reasonably mitigated. Thus, a jury may have awarded 11 years of lost wages totaling approximately \$385,000.⁹ His widow should have benefited from that lost income, and the loss has likely negatively impacted her future federal benefits as a surviving spouse. It appears equitable to award this lost income despite Mr. LaGatta's early demise.

Collateral Sources

Mr. LaGatta had the minimum personal injury protection (PIP) coverage (\$10,000), and he received \$25,000 in uninsured motorist coverage from his own policy. Medicaid paid \$166,604.23 for medical bills related to the accident.¹⁰ The VA provided some care without charge. While technically not a collateral source, Mr. LaGatta has already received \$120,000 from the State DOT in partial satisfaction of this claim.

Noneconomic Damages

Mr. LaGatta suffered significant noneconomic damages in the form of pain and suffering damages. He was likely to continue to suffer the rest of his life, the missing leg a painful reminder of an accident he should never have had to suffer. In addition to his actual pain, he continued to blame himself for the injuries to his daughter Faith, even though there is no apparent legal or moral fault on him and the DOT appears to be 100 percent at fault in the collision.

No amount of money can truly compensate an accident victim for his or her pain and suffering, but money is the only tangible thing that can be awarded to an accident victim. As this is a settlement without the benefit of a jury trial, and because there is no formula or fixed criteria for an award, we don't know how

⁸ Lichtblau, *Comprehensive Rehabilitation Evaluation of Mark LaGatta*, page 54.

⁹ He was 56 at the time of the accident, and full retirement age for Social Security purposes for a person of his age at the time of the Special Master hearing, before his passing, is 67. In a trial, the plaintiff can argue for anticipated future inflationary increases in salaries, and the defense can argue that a judgment is paid today and that investment earnings should be considered. Given that the parties settled and did not present evidence in either regard, the Special Master considered this a "wash" and utilized a straight-line calculation of lost wages.

¹⁰ The charged amount was \$770,354.04.

much a jury might have been awarded had this matter gone to trial.

Litigation History and Settlement

Litigation History

The underlying case was filed on April 13, 2021, as a civil action in Levy County. The plaintiffs were Mark LaGatta, the claimant now being his estate, his wife Margaret LaGatta, and his daughter Faith LaGatta.

The plaintiff alleged that DOT was negligent in the operation of a tractor with box blade attachment, and that such negligence resulted in permanent injuries to Mr. LaGatta, permanent injuries to Faith LaGatta, and a loss of consortium claim by Margaret LaGatta. The defendant DOT denied all allegations of negligence.

Settlement

The parties entered into a settlement agreement resolving all claims that had been or could have been raised by claimants. The agreement paid Faith LaGatta the sum of \$150,000, and paid Margaret LaGatta the sum of \$30,000, both in full payment of their claim. The agreement also paid the remaining \$120,000 of the immunity limit to Mark LaGatta in partial payment of the settlement. From the \$120,000, there was a partial payment of the Medicaid lien as required by the applicable statutes, reducing the Medicaid lien by \$32,846.47.¹¹

The total settlement between the DOT and Mr. LaGatta is for \$2.32 million, \$120,000 of which was paid upon execution of the settlement. DOT has agreed to support a claim bill payable to the Estate of Mark LaGatta for the additional sum of \$2.2 million.

CONCLUSIONS OF LAW:

A *de novo* hearing was held on October 30, 2023. The Legislature is not bound by settlements or jury verdicts when considering a claim bill, the passage of which is an act of legislative grace.

Section 768.28, of the Florida Statutes, waives the state's sovereign immunity for tort liability up to \$200,000 per person and \$300,000 for all claims or judgments arising out of the

¹¹ The current outstanding balance is \$133,757.76.

same incident. Sums exceeding these amounts are payable by the State and its agencies or subdivisions only by further act of the Legislature.

Agency Liability

There are three main types of agency liability in which a principal is responsible for the tortious conduct of its agent: *respondeat superior*, actual authority, and apparent authority.

Respondeat Superior

Under the doctrine of *respondeat superior*, an employer is liable for acts of employees performed within the course of their employment.¹²

In this case, the tractor driver and the employees on site were all employees of DOT. The flagmen were not DOT employees but were under the direction and control of DOT.¹³ The undersigned finds that all individuals liable for this accident and injuries fall under the concept of *respondeat superior*. The DOT is legally liable for the negligent acts of its employees and agents performed within the course of their employment.

Because *respondeat superior* applies, there is no cause to examine actual authority or apparent authority.

Negligence

There are four elements to a negligence claim: (1) duty—where the defendant has a legal obligation to protect others against unreasonable risks; (2) breach—which occurs when the defendant has failed to conform to the required standard of conduct; (3) causation—where the defendant's conduct is foreseeably and substantially the cause of the resulting damages; and (4) damages—actual harm.¹⁴

Duty

An operator of any vehicle generally has a duty to operate the vehicle safely and in a manner that is not harmful to other vehicles, pedestrians, or property.

¹² *Dieas v. Assoc. Loan Co.*, 99 So.2d 279, 280-281 (Fla. 1957); *Stinson v. Prevatt*, 94 So. 656, 657 (Fla. 1922).

¹³ The flagmen were state prisoners assigned to DOT. If asked to assign liability to them, the Special Master would find that the flagmen acted appropriately and should not be assigned any liability. It is unclear why DOT did not ask for a third inmate to act as a spotter for the tractor driver. A spotter is common in the construction industry and it was negligent not to have one. If there had been a spotter it is far less likely that this accident would have occurred.

¹⁴ *Williams v. Davis*, 974 So.2d 1052, at 1056–57 (Fla. 2007).

Breach

The DOT breached its duty by driving a tractor directly in front of a vehicle that was lawfully and safely operating on the highway. Mr. LaGatta had the right-of-way. The DOT also breached its duty by not assigning a spotter, parking large vehicles that partially blocked the views of the tractor operator, and not providing a radio to the tractor driver so that he could listen to the flagmen.

Causation

The breaches directly caused the accident.

Damages

Through the provision of medical records and supporting evidence, the claimant has established that he suffered significant and permanent injuries. A jury that would have heard this case is likely to have resulted in an award of significant damages for past and future medical expenses, past and future lost income, and past and future noneconomic (pain and suffering) damages.

Note that the settlement appears to have contemplated that Mr. LaGatta would live approximately twenty years longer than he did. A considerable amount of the settlement amount was apparently intended as compensation for anticipated future medical expenses that now are not needed. This would not be considered post-trial in a private action but is an equitable factor that the Legislature may consider in determining an equitable amount to award.

Comparative Fault

The damages award to a plaintiff in a personal injury action may be reduced if the finder of fact determines that the plaintiff was partially liable for his or her own injuries.

Conclusion

DOT was clearly negligent in several ways that led to the tragic outcome of this accident. The tractor driver was negligent in backing up into the travel lane without ensuring that the lane was clear, which liability is legally imposed upon DOT. DOT was also negligent in improperly training and supervising the tractor driver, in not assigning one of the employees on site to act as a spotter, in not giving the tractor driver a radio to listen to the flagmen, and in parking support vehicles in a manner that partially obscured the tractor operator's view of the travel lane. All the while, Mr. LaGatta

was driving in a reasonable manner and at a safe speed for conditions. It is reasonable and likely that a jury would find 100 percent of fault attributable to DOT and no comparative fault on the part of Mr. LaGatta. The special master therefore recommends a finding that Mr. LaGatta did not contribute to his injuries, and thus recommends a finding that DOT is legally 100 percent at fault in this accident.

As to the appropriate measure of compensation, the Legislature may decide whether the claim bill should accept the settlement with DOT or should equitably reduce the claim amount to take into consideration Mr. LaGatta's untimely death. The amount paid by this claim bill will be reduced before payment to the family by attorney's fees and the existing Medicaid lien.¹⁵

ATTORNEY FEES:

Language in the bill states that attorney fees may not exceed 25 percent of the amount awarded. Correspondence from the attorney for the claimant confirms that the attorney will comply with this limit should the claim bill be enacted.

RECOMMENDATIONS:

Recommended Amendments

No technical amendments are recommended.

Recommendation on the Merits

Based upon the arguments and documents provided before, during, and after the special master hearing, I find that the claimant met the burden of proving that the State of Florida (Florida Department of Transportation) was negligent, resulting in injuries to Mark LaGatta. The equitable right to the claim passed to the estate. I recommend that Senate Bill 78 (2025) be reported FAVORABLY as amended in the discretion of the Legislature.

Respectfully submitted,

Nathan L. Bond
Senate Special Master

cc: Senator McClain
Tracey Cantella, Secretary of the Senate

¹⁵ Attorney fees are 25% of the award. The outstanding Medicaid lien is \$133,757.76.

Counsel of Record

By Senator McClain

9-00081-26

202626

1 A bill to be entitled
 2 An act for the relief of the Estate of Mark LaGatta;
 3 providing an appropriation to compensate the estate
 4 for injuries and damages sustained by Mr. LaGatta as a
 5 result of the negligence of the Department of
 6 Transportation; providing a limitation on compensation
 7 and the payment of attorney fees; providing an
 8 effective date.
 9
 10 WHEREAS, on July 27, 2020, Mark LaGatta and his daughter,
 11 Faith LaGatta, were lawfully riding on Mr. LaGatta's motorcycle
 12 and traveling eastbound on State Road 24 near the intersection
 13 with SW 95th Avenue in Cedar Key in Levy County, and
 14 WHEREAS, Mr. LaGatta, 57 years old at the time, was
 15 operating the motorcycle, and Faith LaGatta was a passenger, and
 16 WHEREAS, the Department of Transportation was in the
 17 process of roadwork on State Road 24 to repair sinkhole damage,
 18 and
 19 WHEREAS, the department created a work zone, marking the
 20 closed westbound lane with cones, leaving only the eastbound
 21 lane open for travel, and
 22 WHEREAS, the department's work zone had flaggers present to
 23 direct the flow of traffic, and a flagger directed Mr. LaGatta
 24 to proceed eastbound through the work zone, and
 25 WHEREAS, an employee of the department was operating a
 26 tractor with a box blade attachment in the westbound travel
 27 lane, and
 28 WHEREAS, the employee backed up into the eastbound travel
 29 lane, directly in front of Mr. LaGatta, causing a collision

Page 1 of 3

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30 between the tractor's box blade and Mr. LaGatta's motorcycle,
 31 and
 32 WHEREAS, as a result of the accident, Mr. LaGatta sustained
 33 severe injuries to his legs which resulted in the amputation of
 34 his left leg, and
 35 WHEREAS, Mr. LaGatta was hospitalized for several weeks as
 36 a result of the accident, underwent seven surgeries and a
 37 tracheotomy, and was placed in an induced coma, and
 38 WHEREAS, Mr. LaGatta was hospitalized when COVID-19
 39 protocols were enforced, and none of his five children were
 40 allowed to visit him in the hospital, and
 41 WHEREAS, Mr. LaGatta was medically unable to return to his
 42 career as a maintenance engineer, and
 43 WHEREAS, on February 28, 2023, in resolving the civil
 44 action brought in the Circuit Court for the Eighth Judicial
 45 Circuit, in and for Levy County, Case No. 38-2021-CA-54, a final
 46 judgment was entered in favor of Mr. LaGatta against the
 47 Department of Transportation, in the amount of \$2.32 million,
 48 and
 49 WHEREAS, in August 2024, Mr. LaGatta passed away after
 50 suffering bodily injury resulting in pain and suffering;
 51 disability; disfigurement; mental anguish; lost capacity for the
 52 enjoyment of life; the expense of hospitalization and medical
 53 and nursing care and treatment; lost earnings; and lost earning
 54 capacity following his accident, and
 55 WHEREAS, the department paid \$120,000 to Mr. LaGatta under
 56 s. 768.28, Florida Statutes, before his passing, with the
 57 remainder of the judgment now payable to his estate, and
 58 WHEREAS, the department has agreed to support this claim

Page 2 of 3

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

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bill, NOW, THEREFORE,

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

Section 1. The facts stated in the preamble to this act are found and declared to be true.

Section 2. The sum of \$2.2 million is appropriated from the General Revenue Fund to the Department of Transportation for the relief of the Estate of Mark LaGatta for injuries and damages sustained by Mr. LaGatta.

Section 3. The Chief Financial Officer is directed to draw a warrant in favor of the Estate of Mark LaGatta in the amount of \$2.2 million upon funds of the Department of Transportation in the State Treasury and to pay the same out of such funds in the State Treasury.

Section 4. The amount paid by the Department of Transportation pursuant to s. 768.28, Florida Statutes, and the amount awarded under this act are intended to provide the sole compensation for all present and future claims arising out of the factual situation described in this act which resulted in injuries and damages to Mark LaGatta. The total amount paid for attorney fees relating to this claim may not exceed 25 percent of the total amount awarded under this act.

Section 5. This act shall take effect upon becoming a law.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 206

INTRODUCER: Education Pre-K - 12 Committee and Senator Harrell and others

SUBJECT: Students with Autism Spectrum Disorder

DATE: March 2, 2026

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. <u>Brick</u>	<u>Bouck</u>	<u>ED</u>	Fav/CS
2. <u>Gray</u>	<u>Elwell</u>	<u>AED</u>	Favorable
3. <u>Gray</u>	<u>Sadberry</u>	<u>AP</u>	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 206 revises educator preparation, credentialing, professional learning, and incentives related to autism spectrum disorder and other specified disabilities. The bill:

- Requires the autism microcredential for specified exceptional student education certification and teacher preparation pathways.
- Aligns the uniform core curricula, professional certificate renewal, and district professional learning to evidence-based practices for autism spectrum disorder and other specified disabilities.
- Creates the Autism Educator Loan Forgiveness Program to provide student loan repayment assistance for eligible special education teachers serving as the primary teacher in a public school classroom in which a majority of students have autism spectrum disorder.
- Revises district compensation provisions to include completion of the Autism Spectrum Disorder endorsement in salary supplements and to authorize incentives for certain eligible teachers.

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

The bill takes effect July 1, 2026.

II. Present Situation:

Educator Preparation and Training

Uniform Core Curricula

Beginning August 1, 2027, each state-approved teacher preparation program must provide uniform core curricula courses aligned with the Florida Educator Accomplished Practices, as established by the State Board of Education (SBE) rule.¹ Minimum uniform core curricula standards include training on differentiated instruction to meet student needs, including the needs of students with disabilities.²

Educator Preparation Institutes

An “educator preparation institute” (EPI) is created by a postsecondary institution or a qualified private provider and approved by the Department of Education (DOE).³ Accredited or approved postsecondary institutions may seek DOE approval to create an EPI to provide specified forms of instruction, including instruction for baccalaureate degree holders to become certified teachers and additional professional learning and instructional offerings identified in statute.⁴

Educator preparation institutes may offer competency-based certification programs designed for noneducation major baccalaureate degree holders to meet educator certification requirements.⁵ To approve a certification program, the department must find evidence the EPI can implement a competency-based program that instructs and assesses each candidate in required areas, including the Florida Educator Accomplished Practices and state academic standards, and requires an educational plan, field experiences, and a certification ombudsman.⁶

Each program participant must meet specified requirements, including obtaining a statement of status of eligibility in the certification subject area and satisfying specified prerequisites before participating in field experiences.⁷ A participant who completes an approved certification program receives a credential from the sponsoring institution and is eligible for educator certification through the department upon satisfaction of statutory certification requirements.⁸

The SBE must adopt rules for the continued approval of each EPI program approved under s. 1004.85, F.S., and each institute must submit annual performance evaluations measuring program effectiveness.⁹

¹ Section 1012.551(1), F.S.

² Section 1012.551(2), F.S.

³ Section 1004.85(1), F.S.

⁴ Section 1004.85(2), F.S.

⁵ Section 1004.85(3), F.S.

⁶ Section 1004.85(3)(a), F.S.

⁷ Section 1004.85(3)(b), F.S.

⁸ Sections 1004.85(3)(c) and 1012.56(2), F.S.

⁹ Section 1004.85(4)-(5) and (8), F.S.

CERT Program

The DOE is required to create the Coaching for Educator Readiness and Teaching (CERT) Certification Program as an alternative pathway to professional certification, and specified entities may implement CERT programs that meet statutory requirements. A CERT program must include specified mentorship, assessment, and professional learning components aligned to applicable evaluation and professional learning systems.¹⁰

Autism Microcredential

The University of Florida Center for Autism and Neurodevelopment (UF-CAN) is required to develop an autism microcredential that provides specialized training in supporting students with autism. The microcredential must be stackable with the autism endorsement and must be competency-based and offered at no cost to eligible participants.¹¹

The microcredential is required to be available to specified categories of personnel, including instructional personnel and specified early learning personnel. Individuals who complete the microcredential are eligible for a one-time stipend, as determined in the General Appropriations Act (GAA).¹²

In Fiscal Year 2025-2026, the GAA appropriated \$10 million from the General Revenue Fund for the UF-CAN. The appropriation included:

- Up to \$4.5 million for costs associated with the UF-CAN's role as the statewide coordinating body, administrator, and fiscal agent for programs and services, including the microcredential; and
- The remainder to support and implement programs that include the administration of the microcredential and stipend, based on actual participation and demonstrated need.¹³

State Financial Assistance Programs Tied to Employment in a Profession

The SBE is required to annually identify high-demand teacher needs areas based on the supply of graduates of state-approved teacher preparation programs and the number of vacant positions in a teaching discipline or positions filled by out-of-field teachers. The latest report indicates that the certification in highest demand is exceptional student education.¹⁴

Florida offers the Autism Endorsement Tuition Support Program to provide financial assistance to add the appropriate endorsement for ESE teachers who are teaching students identified as having autism spectrum disorders (ASD) in a Florida public school. The program provides up to \$1000 per course for tuition support from federal funds. The applicant must be ESE certified and be teaching students with ASD.¹⁵

¹⁰ Section 1012.552, F.S.

¹¹ Section 1004.551(1)(f), F.S.

¹² *Id.*

¹³ Chapter 2025-198, Laws of Fla., s. 2, Specific Appropriation 162A.

¹⁴ Florida Department of Education, *Identification of High Demand Teacher Needs Areas for 2025-26*, available at <https://www.fldoe.org/core/fileparse.php/20808/urlt/17-2.pdf>, at 1-2 (last visited Jan. 15, 2026).

¹⁵ Florida Department of Education, Bureau of Exceptional Student Education, *Autism Endorsement Tuition Support Program*, available at https://florida-ease.org/docs/Autism_Application_Revised%2010_8_21.pdf (last visited Jan. 15, 2026).

The DOE administers the ESE training grant program, which provides financial assistance to teachers for special training in exceptional student education to meet professional requirements. Grant amounts are determined based on rates established by the DOE, and the program is administered under SBE rules. Grants are limited to teachers who:

- Hold a full-time contract to teach in a district school system, a state-operated or state-supported program, or an entity under contract with the DOE;
- Hold a valid Florida educator certificate that does not reflect an ESE coverage or endorsement appropriate for the teacher's assignment; and
- Satisfactorily complete eligible courses.¹⁶

A state loan repayment assistance model exists in the Nursing Student Loan Forgiveness Program, which makes repayments toward certain nursing education loans to encourage employment and retention of nurses in designated facilities. Eligibility includes graduation from an accredited or approved nursing program and Florida licensure as a licensed practical nurse, registered nurse, or advanced practice registered nurse. Loans covered under the program are limited to tuition, books, and living expenses, up to \$4,000 for each year of education toward the degree obtained.¹⁷

Autism Endorsements and Certificate Additions

An endorsement is a credential added to an educator certificate to reflect specialized training and qualifications in a particular instructional area.¹⁸ SBE rules establish requirements for endorsements, including the Endorsement in Autism Spectrum Disorders¹⁹ and the Endorsement in Severe or Profound Disabilities.²⁰ Those rules specify eligibility prerequisites and completion requirements, which generally include required coursework and supervised field experience.

A professional educator certificate is issued for a period not to exceed five years to an applicant who meets statutory eligibility criteria. A district may process applications through the DOE system for certain certificate transactions for public school employees, including adding a subject coverage or endorsement to a valid Florida certificate.²¹

For the 2023-2024 school year, district-reported certification data show 2,614 Autism Spectrum Disorders endorsements; endorsements are counted once per teacher per certification area.²²

¹⁶ Section 1009.62(2), F.S.

¹⁷ Section 1009.66, F.S.

¹⁸ Florida Department of Education, Educator Certification, *Certificate Additions*, <https://www.fldoe.org/teaching/certification/additions/> (last visited Jan. 15, 2026).

¹⁹ Rule 6A-4.01796, F.A.C.

²⁰ Rule 6A-4.01793, F.A.C.

²¹ Sections 1012.56 and 1012.586(1), F.S.

²² Florida Department of Education, *Identification of High Demand Teacher Needs Areas for 2025-26* (report) (explaining that certifications are counted once per teacher per subject area and providing certification subject code totals) (p. 2; Appendix C, pp. 69-70 (subject code 1078, Autism Spectrum Disorders)), available at <https://www.fldoe.org/core/fileparse.php/20808/urlt/17-2.pdf> (last visited Jan. 15, 2026).

Compensation, Salary Supplements, And Incentives

District school boards adopt salary schedules, including a performance salary schedule. The performance salary schedule provides annual salary adjustments for instructional personnel and school administrators based on performance. In addition to salary adjustments, each district school board provides salary supplements for specified activities.²³ Collective bargaining may not preclude a district school board from providing incentives to effective and highly effective teachers.²⁴

Certificate Renewal Requirements

An educator must renew his or her professional certificate every five years. An applicant for renewal of a professional certificate is required to satisfy continuing education requirements of a minimum of 6 college credits or 120 inservice points or a combination thereof, including at least one college credit or the equivalent inservice points in the area of instruction for teaching students with disabilities.²⁵

District Professional Learning Systems.

The School Community Professional Learning Act

The School Community Professional Learning Act requires each district to maintain a professional learning system meeting statutory requirements and subject to DOE review and approval. District systems include, among other components:

- Maintaining a district professional learning catalog for inservice activities, updated annually.
- Providing inservice activities with follow-up support aligned to district and school improvement goals.²⁶

Regional Centers for Autism and Related Disabilities.

Regional Centers for Autism and Related Disabilities (CARD) serve individuals with autism in assigned geographic service areas throughout the state. Each center provides technical assistance and consultation services, including intervention and assistance for a client, the client's family, and the school district. Each center also develops, provides, and evaluates professional training programs, including preservice and inservice training in state-of-the-art practices for personnel who work with the populations served by the centers and their families.²⁷

Personnel Evaluation Procedures and Ratings

Each district school superintendent must establish procedures for evaluating the performance of duties and responsibilities of instructional, administrative, and supervisory personnel employed by the school district.

²³ Sections 1012.22(1) and 1012.34, F.S.

²⁴ Section 1012.22(3)(a), F.S.

²⁵ Section 1012.585(3)(e), F.S.

²⁶ Section 1012.98(5)(b), F.S.

²⁷ Section 1004.55(4), F.S.

The DOE must approve each school district's instructional personnel and school administrator evaluation systems and must monitor district implementation for compliance with statutory requirements.²⁸ Evaluation systems must differentiate among four levels of performance:

- Highly effective.
- Effective.
- Needs improvement, or developing for certain instructional personnel in the first three years of employment.
- Unsatisfactory.²⁹

Statewide, districts reported that 157,905 classroom teachers received an evaluation in the 2023-2024 school year, and 114,950 of those teachers (72.8 percent) were rated highly effective.³⁰

III. Effect of Proposed Changes:

The bill revises educator preparation, credentialing, professional learning, and incentives related to autism spectrum disorder and other specified disabilities.

Educator Preparation and Training (Sections 1, 4, and 5)

Section 1 amends s. 1004.85, F.S., related to postsecondary educator preparation institutes (EPIs), to require:

- An EPI program participant who is certified in exceptional student education to complete the autism microcredential created by the University of Florida Center for Autism and Neurodevelopment; and
- By August 1, 2027, as a condition of continued EPI program approval, each EPI to offer instruction and training on evidence-based practices for teaching students with autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities, consistent with the uniform core curricula developed by the Department of Education.

Section 4 amends s. 1012.551, F.S., related to teacher preparation core principles and uniform core curricula, to require:

- The uniform core curricula to include training aligned with evidence-based practices for supporting students with autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities, applicable across all levels of support; and
- Each state-approved teacher preparation program using the uniform core curricula to include the autism microcredential, which must count for at least 1 semester hour toward program completion.

²⁸ Section 1012.34(1), F.S.

²⁹ Section 1012.34(2)(e), F.S.

³⁰ Florida Department of Education, 2023-24 District Educator Evaluation Ratings (Excel spreadsheet) (Classroom Teachers - % by Dist worksheet, Statewide Total row), available at <https://www.fldoe.org/file/7503/2324DistEduEvalRate.xlsx> (last visited Jan. 15, 2026).

Section 5 amends s. 1012.552, F.S., related to Coaching for Educator Readiness and Teaching (CERT) Program, to require successful completion of the autism microcredential for a candidate seeking certification in exceptional student education through a CERT program.

Autism Educator Loan Forgiveness Program

Section 2 creates s. 1009.636, F.S., to establish the Autism Educator Loan Forgiveness Program within the Department of Education (DOE) to provide student loan repayment assistance for eligible special education teachers who serve as the primary teacher in a public school classroom in which a majority of the students have autism spectrum disorder.

Program Eligibility and Benefits

The bill establishes eligibility pathways based on degree level and endorsements and provides loan repayment assistance up to \$17,500 over 5 years, capped at \$3,500 per year. The bill requires annual payments to be made directly to the participant's lender.

Conditions for Annual Payment

The bill conditions each annual payment on the teacher:

- Completing a full year of service in the qualifying position;
- Receiving an effective or highly effective evaluation rating under s. 1012.34, F.S.; and
- Meeting specified certificate-related eligibility requirements which include a teacher holding an active loan balance who has earned a bachelor's degree with a specified endorsement, or a master's degree in special or exceptional education.

Administration and Rulemaking

The bill requires the State Board of Education to adopt rules to administer the program.

Compensation, Salary Supplements, and Incentives

Section 3 amends s. 1012.22, F.S., related to teacher compensation, salary supplements, and incentives, to:

- Add completion of the Autism Spectrum Disorder Endorsement to the activities that must be included in district salary supplements under the performance salary schedule; and
- Provide that collective bargaining may not preclude a district from providing incentives to exceptional student education teachers who complete the Autism Spectrum Disorder Endorsement, in addition to any stipend funded in the General Appropriations Act for completion of the endorsement, and who serve as the primary teacher in a classroom in which a majority of the students have autism spectrum disorder.

Certificate Renewal Requirements

Section 6 amends s. 1012.585, F.S., related to the process for renewal of professional certificates, to, beginning August 1, 2027:

- Specify that the renewal requirement for instruction for teaching students with disabilities must include autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities.

- Require an applicant certified in exceptional student education to earn the autism microcredential for renewal, provides that it counts as 3 college credits or the equivalent inservice points, and provides that once earned it is not required again for additional renewal periods.

Stipend Authorization

Section 7 amends s. 1012.586, F.S., to provide that personnel certified in exceptional student education who complete the Autism Spectrum Disorder Endorsement are eligible for a stipend as specified in the General Appropriations Act.

District Professional Learning Systems

Section 8 amends s. 1012.98, F.S., to require each district professional learning system to provide at least one autism-specific professional development opportunity annually for instructional personnel and school-based administrators. The professional development must be developed and delivered in coordination with the district's assigned Center for Autism and Related Disabilities and must include evidence-based practices for supporting students with autism spectrum disorder across all levels of need, including academic instruction, behavioral supports, communication strategies, and inclusive practices.

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:

None.

C. Government Sector Impact:

The bill has an indeterminate fiscal impact to the DOE related to administration and funding of the Autism Educator Loan Forgiveness Program. The stipends referred to in the bill are contingent on amounts provided in the General Appropriations Act. The bill may also have an indeterminate fiscal impact related to implementation of new educator preparation, certificate renewal, and district professional learning requirements.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1004.85, 1012.22, 1012.551, 1012.552, 1012.585, 1012.586, and 1012.98.

This bill creates section 1009.636 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 Education Pre-K - 12 on January 13, 2026:

The committee substitute deletes the bill's amendments to s. 1012.582, F.S., related to a teacher holding the Endorsement in Autism Spectrum Disorders in a class in which at least 50 percent of students have autism spectrum disorder.

The committee substitute creates s. 1009.636, F.S., related to the Autism Educator Loan Forgiveness Program. The committee substitute:

- Creates a student loan repayment assistance program for eligible special education teachers who serve as the primary teacher in a public school classroom in which a majority of the students have autism spectrum disorder.

- Provides eligibility pathways based on degree level and endorsements and limits repayment assistance to a total of \$17,500 over 5 years, with annual payments capped at \$3,500 and paid directly to the lender.
- Conditions annual payments on a full year of service, an effective or highly effective evaluation rating, and no certificate-related disciplinary action.
- Requires State Board of Education rulemaking to administer the Autism Educator Loan Forgiveness Program.

The committee substitute adds to the bill provisions amending:

- Section 1004.85, F.S., related to training at Postsecondary Educator Preparation Institutes (EPIs):
 - Requires ESE-certified program participants to complete the autism microcredential created under s. 1004.551(1)(f), F.S.
 - Requires each EPI, by August 1, 2027, as a condition of continued program approval, to offer training on evidence-based practices for teaching students with autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities, consistent with the uniform core curricula developed by the department.
- Section 1012.22, F.S., related to district school board duties related to compensation and bargaining. The committee substitute:
 - Adds completion of the Autism Spectrum Disorder Endorsement to the activities that must be included in salary supplements under the performance salary schedule.
 - Provides that collective bargaining may not preclude incentives to ESE teachers who complete the Autism Spectrum Disorder Endorsement (in addition to any General Appropriations Act stipend for completion) and who serve as the primary teacher in a classroom in which a majority of the students have autism spectrum disorder.
- Section 1012.551, F.S., related to teacher preparation core principles and uniform core curricula. The committee substitute:
 - Requires the uniform core curricula to include training aligned to evidence-based practices for supporting students with autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities, applicable across all levels of support.
 - Requires state-approved teacher preparation programs using the uniform core curricula to include the autism microcredential, which must count for at least 1 semester hour toward program completion.
- Section 1012.552, F.S., related to CERT Program requirements. The committee substitute requires a candidate for certification in exceptional student education through a Coaching for Educator Readiness and Teaching (CERT) program to successfully complete the autism microcredential.
- Section 1012.585, F.S., related to renewal of professional certificates. The committee substitute:
 - Beginning August 1, 2027, specifies that the required disability-training credit must include autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities.

- Beginning August 1, 2027, requires applicants certified in exceptional student education to earn the autism microcredential for renewal, provides it counts as 3 college credits or the equivalent inservice points, and provides that once earned it is not required again for additional renewal periods.
- Section 1012.586, F.S., related to stipend authorization. The committee substitute authorizes personnel certified in exceptional student education who complete the Autism Spectrum Disorder Endorsement to be eligible for a stipend as specified in the General Appropriations Act.
- Section 1012.98, F.S., related to district professional learning systems. The committee substitute requires:
 - Each district professional learning system to provide at least one autism-specific professional development opportunity annually for instructional personnel and school-based administrators.
 - The training to be developed and delivered in coordination with the district's assigned Center for Autism and Related Disabilities (CARD) and to cover evidence-based practices across levels of need.

B. Amendments:

None.

By the Committee on Education Pre-K - 12; and Senator Harrell

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1 A bill to be entitled
 2 An act relating to students with autism spectrum
 3 disorder; amending s. 1004.85, F.S.; requiring certain
 4 program participants at educator preparation
 5 institutes to complete the autism micro-credential;
 6 requiring each educator preparation institute to offer
 7 training on teaching students with certain
 8 disabilities; creating s. 1009.636, F.S.; providing
 9 legislative findings; creating the Autism Educator
 10 Loan Forgiveness Program; providing eligibility
 11 requirements; providing criteria for loan repayment
 12 assistance; providing requirements for teachers to
 13 receive an annual payment; requiring the State Board
 14 of Education to adopt rules; amending s. 1012.22,
 15 F.S.; revising salary supplements a district school
 16 board must provide; revising which district school
 17 board duties collective bargaining may not preclude;
 18 amending s. 1012.551, F.S.; revising core curricula
 19 for teacher preparation programs; requiring a teacher
 20 preparation program to include the autism micro-
 21 credential; amending s. 1012.552, F.S.; providing that
 22 the Coaching for Educator Readiness and Teaching
 23 Certification Program must include completion of the
 24 autism micro-credential; amending s. 1012.585, F.S.;
 25 revising requirements for the renewal of a
 26 professional certificate; amending s. 1012.586, F.S.;
 27 providing that personnel certified in exceptional
 28 student education who complete the Autism Spectrum
 29 Disorder Endorsement are eligible for a stipend;

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30 amending s. 1012.98, F.S.; requiring a professional
 31 learning system to provide at least one autism-
 32 specific professional development opportunity;
 33 providing requirements for the professional
 34 development; providing an effective date.
 35

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

37
 38 Section 1. Paragraph (b) of subsection (3) of section
 39 1004.85, Florida Statutes, is amended, and subsection (9) is
 40 added to that section, to read:

41 1004.85 Postsecondary educator preparation institutes.—

42 (3) Educator preparation institutes approved pursuant to
 43 this section may offer competency-based certification programs
 44 specifically designed for noneducation major baccalaureate
 45 degree holders to enable program participants to meet the
 46 educator certification requirements of s. 1012.56. An educator
 47 preparation institute choosing to offer a competency-based
 48 certification program pursuant to the provisions of this section
 49 must implement a program developed by the institute and approved
 50 by the department for this purpose. Approved programs shall be
 51 available for use by other approved educator preparation
 52 institutes.

53 (b) Each program participant must:

54 1. Meet certification requirements pursuant to s.
 55 1012.56(1) by obtaining a statement of status of eligibility in
 56 the certification subject area of the educational plan and meet
 57 the requirements of s. 1012.56(2)(a)-(f) before participating in
 58 field experiences.

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2. Demonstrate competency and participate in field experiences that are appropriate to his or her educational plan prepared under paragraph (a). Beginning with candidates entering an educator preparation institute in the 2022-2023 school year, a candidate for certification in a coverage area identified pursuant to s. 1012.585(3)(f) must successfully complete all competencies for a reading endorsement, including completion of the endorsement practicum through the candidate's field experience, in order to graduate from the program.

3. Before completion of the program, fully demonstrate his or her ability to teach the subject area for which he or she is seeking certification by documenting a positive impact on student learning growth in a prekindergarten through grade 12 setting and, except as provided in s. 1012.56(7)(a)3., achieving a passing score on the professional education competency examination, the basic skills examination, and the subject area examination for the subject area certification which is required by state board rule.

4. For each participant who is certified in exceptional student education, complete the autism micro-credential created pursuant to s. 1004.551(1)(f).

(9) By August 1, 2027, as a condition for continued program approval, each educator preparation institute must offer instruction and training on evidence-based practices for teaching students with autism spectrum disorder, Down syndrome, other developmental disabilities, and emotional or behavioral disabilities, consistent with the uniform core curricula developed by the department.

Section 2. Section 1009.636, Florida Statutes, is created

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to read:

1009.636 Autism educator loan forgiveness program.—

(1) The Legislature finds that an adequate supply of special education teachers is critical to provide students who have a neurodevelopmental disability, such as autism spectrum disorder, with individualized education to foster essential social-emotional skills, provide positive interventions, and build life skills for independence. The Autism Educator Loan Forgiveness Program is created to recruit and retain qualified individuals to serve as special education teachers for students with autism spectrum disorder.

(2) To be eligible, an individual must:

(a)1. Have earned a master's or higher degree in special education or exceptional student education from an accredited institution and have an active student loan balance from completion of that degree, and hold a temporary or professional certificate; or

2. Have earned a bachelor's or higher degree from an accredited institution and have an active student loan balance from completion of that degree, hold a temporary or professional certificate, and hold the Autism Spectrum Disorder Endorsement or Severe or Profound Disabilities Endorsement; and

(b) Serve as the primary teacher in a public school classroom in which a majority of the students have autism spectrum disorder.

(3) Eligible participants may receive up to \$17,500 in total student loan repayment assistance over 5 years, disbursed in annual payments not to exceed \$3,500 per year. Payments must be made directly to the lender servicing the participant's

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117 student loan.

118 (4) In order for the department to release each annual
 119 payment, a teacher must:

120 (a) Have completed a full year of service pursuant to
 121 paragraph (2)(b).

122 (b) Have received a rating of effective or highly effective
 123 pursuant to s. 1012.34.

124 (c) Not have had any disciplinary action taken by the
 125 school district or by the department against the teacher's
 126 certificate.

127 (5) The State Board of Education shall adopt rules to
 128 administer this section.

129 Section 3. Paragraph (c) of subsection (1) and paragraph
 130 (a) of subsection (3) of section 1012.22, Florida Statutes, are
 131 amended to read:

132 1012.22 Public school personnel; powers and duties of the
 133 district school board.—The district school board shall:

134 (1) Designate positions to be filled, prescribe
 135 qualifications for those positions, and provide for the
 136 appointment, compensation, promotion, suspension, and dismissal
 137 of employees as follows, subject to the requirements of this
 138 chapter:

139 (c) *Compensation and salary schedules.*—

140 1. Definitions.—As used in this paragraph:

141 a. "Adjustment" means an addition to the base salary
 142 schedule that is not a bonus and becomes part of the employee's
 143 permanent base salary and shall be considered compensation under
 144 s. 121.021(22).

145 b. "Grandfathered salary schedule" means the salary

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146 schedule or schedules adopted by a district school board before
 147 July 1, 2014, pursuant to subparagraph 4.

148 c. "Instructional personnel" means instructional personnel
 149 as defined in s. 1012.01(2)(a)-(d), excluding substitute
 150 teachers.

151 d. "Performance salary schedule" means the salary schedule
 152 or schedules adopted by a district school board pursuant to
 153 subparagraph 5.

154 e. "Salary schedule" means the schedule or schedules used
 155 to provide the base salary for district school board personnel.

156 f. "School administrator" means a school administrator as
 157 defined in s. 1012.01(3)(c).

158 g. "Supplement" means an annual addition to the base salary
 159 for the term of the negotiated supplement as long as the
 160 employee continues his or her employment for the purpose of the
 161 supplement. A supplement does not become part of the employee's
 162 continuing base salary but shall be considered compensation
 163 under s. 121.021(22).

164 2. Cost-of-living adjustment.—A district school board may
 165 provide a cost-of-living salary adjustment if the adjustment:

166 a. Does not discriminate among comparable classes of
 167 employees based upon the salary schedule under which they are
 168 compensated.

169 b. Does not exceed 50 percent of the annual adjustment
 170 provided to instructional personnel rated as effective.

171 3. Advanced degrees.—A district school board may use
 172 advanced degrees in setting a salary schedule for instructional
 173 personnel or school administrators if the advanced degree is
 174 held in the individual's area of certification.

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175 4. Grandfathered salary schedule.—
 176 a. The district school board shall adopt a salary schedule
 177 or salary schedules to be used as the basis for paying all
 178 school employees hired before July 1, 2014. Instructional
 179 personnel on annual contract as of July 1, 2014, shall be placed
 180 on the performance salary schedule adopted under subparagraph 5.
 181 Instructional personnel on continuing contract or professional
 182 service contract may opt into the performance salary schedule if
 183 the employee relinquishes such contract and agrees to be
 184 employed on an annual contract under s. 1012.335. Such an
 185 employee shall be placed on the performance salary schedule and
 186 may not return to continuing contract or professional service
 187 contract status. Any employee who opts into the performance
 188 salary schedule may not return to the grandfathered salary
 189 schedule.
 190 b. In determining the grandfathered salary schedule for
 191 instructional personnel, a district school board must base a
 192 portion of each employee's compensation upon performance
 193 demonstrated under s. 1012.34 and shall provide differentiated
 194 pay for both instructional personnel and school administrators
 195 based upon district-determined factors, including, but not
 196 limited to, additional responsibilities, school demographics,
 197 high-demand teacher needs areas, and level of job performance
 198 difficulties.
 199 5. Performance salary schedule.—By July 1, 2014, the
 200 district school board shall adopt a performance salary schedule
 201 that provides annual salary adjustments for instructional
 202 personnel and school administrators based upon performance
 203 determined under s. 1012.34. Employees hired on or after July 1,

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204 2014, or employees who choose to move from the grandfathered
 205 salary schedule to the performance salary schedule shall be
 206 compensated pursuant to the performance salary schedule once
 207 they have received the appropriate performance evaluation for
 208 this purpose.
 209 a. Base salary.—The base salary shall be established as
 210 follows:
 211 (I) The base salary for instructional personnel or school
 212 administrators who opt into the performance salary schedule
 213 shall be the salary paid in the prior year, including
 214 adjustments only.
 215 (II) Instructional personnel or school administrators new
 216 to the district, returning to the district after a break in
 217 service without an authorized leave of absence, or appointed for
 218 the first time to a position in the district in the capacity of
 219 instructional personnel or school administrator shall be placed
 220 on the performance salary schedule.
 221 b. Salary adjustments.—Salary adjustments for highly
 222 effective or effective performance shall be established as
 223 follows:
 224 (I) The annual salary adjustment under the performance
 225 salary schedule for an employee rated as highly effective must
 226 be at least 25 percent greater than the highest annual salary
 227 adjustment available to an employee of the same classification
 228 through any other salary schedule adopted by the district.
 229 (II) The annual salary adjustment under the performance
 230 salary schedule for an employee rated as effective must be equal
 231 to at least 50 percent and no more than 75 percent of the annual
 232 adjustment provided for a highly effective employee of the same

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classification.

(III) A salary schedule shall not provide an annual salary adjustment for an employee who receives a rating other than highly effective or effective for the year.

c. Salary supplements.—In addition to the salary adjustments, each district school board shall provide for salary supplements for activities that must include, but are not limited to:

(I) Assignment to a Title I eligible school.

(II) Assignment to a school that earned a grade of "F" or three consecutive grades of "D" pursuant to s. 1008.34 such that the supplement remains in force for at least 1 year following improved performance in that school.

(III) Certification and teaching in high-demand teacher needs areas. Statewide high-demand teacher needs areas shall be identified by the State Board of Education under s. 1012.07. However, the district school board may identify other areas of high-demand needs within the school district for purposes of this sub-sub-subparagraph and may remove areas identified by the state board which do not apply within the school district.

(IV) Assignment of additional academic responsibilities.

(V) Completion of the Autism Spectrum Disorder Endorsement.

If budget constraints in any given year limit a district school board's ability to fully fund all adopted salary schedules, the performance salary schedule shall not be reduced on the basis of total cost or the value of individual awards in a manner that is proportionally greater than reductions to any other salary schedules adopted by the district. Any compensation for

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longevity of service awarded to instructional personnel who are on any other salary schedule must be included in calculating the salary adjustments required by sub-subparagraph b.

(3) (a) *Collective bargaining.*—Notwithstanding provisions of chapter 447 related to district school board collective bargaining, collective bargaining may not preclude a district school board from carrying out its constitutional and statutory duties related to the following:

1. Providing incentives to effective and highly effective teachers.

2. Implementing intervention and support strategies under s. 1008.33 to address the causes of low student performance and improve student academic performance and attendance.

3. Implementing student discipline provisions required by law, including a review of a student's abilities, past performance, behavior, and needs.

4. Implementing school safety plans and requirements.

5. Implementing staff and student recognition programs.

6. Distributing correspondence to parents, teachers, and community members related to the daily operation of schools and the district.

7. Providing any required notice or copies of information related to the district school board or district operations which is readily available on the school district's website.

8. The school district's calendar.

9. Providing incentives to exceptional student education teachers who complete the Autism Spectrum Disorder Endorsement, in addition to any stipend funded in the General Appropriations Act for completion of the endorsement, and who serve as the

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291 primary teacher in a classroom in which a majority of the
 292 students have autism spectrum disorder.

293 Section 4. Paragraph (g) of subsection (2) of section
 294 1012.551, Florida Statutes, is amended, and subsection (4) is
 295 added to that section to read:

296 1012.551 Teacher preparation core principles, standards,
 297 and content.—

298 (2) The uniform core curricula for each state-approved
 299 teacher preparation program must meet, at a minimum, the
 300 following standards:

301 (g) Must include strategies for differentiated instruction
 302 to meet student needs, including English language learners and
 303 students with disabilities, while maintaining grade-level
 304 expectations. The strategies must also include specific training
 305 aligned with evidence-based practices for supporting students
 306 with autism spectrum disorder, Down syndrome, other
 307 developmental disabilities, and emotional or behavioral
 308 disabilities applicable across all levels of support.

309 (4) Each state-approved teacher preparation program using
 310 the uniform core curricula developed pursuant to this section
 311 must include the autism micro-credential created pursuant to s.
 312 1004.551(1)(f), which shall count for at least 1 semester hour
 313 toward completion of the program.

314 Section 5. Paragraph (g) is added to subsection (2) of
 315 section 1012.552, Florida Statutes, to read:

316 1012.552 The Coaching for Educator Readiness and Teaching
 317 (CERT) Certification Program.—

318 (2) PROGRAM REQUIREMENTS.—A CERT program must include all
 319 of the following:

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320 (g) Required successful completion of the autism micro-
 321 credential created pursuant to s. 1004.551(1)(f) for a candidate
 322 certification in exceptional student education.

323 Section 6. Paragraph (e) of subsection (3) of section
 324 1012.585, Florida Statutes, is amended to read:

325 1012.585 Process for renewal of professional certificates.—

326 (3) For the renewal of a professional certificate, the
 327 following requirements must be met:

328 (e) Beginning July 1, 2014, an applicant for renewal of a
 329 professional certificate must earn a minimum of one college
 330 credit or the equivalent inservice points in the area of
 331 instruction for teaching students with disabilities. The
 332 requirement in this paragraph may not add to the total hours
 333 required by the department for continuing education or inservice
 334 training. Beginning August 1, 2027:

335 1. Instruction for teaching students with disabilities must
 336 include autism spectrum disorder, Down syndrome, other
 337 developmental disabilities, and emotional or behavioral
 338 disabilities.

339 2. An applicant certified in exceptional student education
 340 must earn the autism micro-credential created pursuant to s.
 341 1004.551(1)(f), which must count toward 3 college credits or the
 342 equivalent inservice points. Once earned, an applicant is not
 343 required to earn the micro-credential for additional renewal
 344 periods.

345 Section 7. Subsection (3) is added to section 1012.586,
 346 Florida Statutes, to read:

347 1012.586 Additions or changes to certificates; duplicate
 348 certificates; reading endorsement pathways.—

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(3) Personnel certified in exceptional student education who complete the Autism Spectrum Disorder Endorsement are eligible for a stipend as specified in the General Appropriations Act.

Section 8. Paragraph (b) of subsection (5) of section 1012.98, Florida Statutes, is amended to read:

1012.98 School Community Professional Learning Act.—

(5) The Department of Education, school districts, schools, Florida College System institutions, and state universities share the responsibilities described in this section. These responsibilities include the following:

(b) Each school district shall develop a professional learning system as specified in subsection (4). The system shall be developed in consultation with teachers, teacher-educators of Florida College System institutions and state universities, business and community representatives, and local education foundations, consortia, and professional organizations. The professional learning system must:

1. Be reviewed and approved by the department for compliance with s. 1003.42(3) and this section. Effective March 1, 2024, the department shall establish a calendar for the review and approval of all professional learning systems. A professional learning system must be reviewed and approved every 5 years. Any substantial revisions to the system must be submitted to the department for review and approval. The department shall establish a format for the review and approval of a professional learning system.

2. Be based on analyses of student achievement data and instructional strategies and methods that support rigorous,

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relevant, and challenging curricula for all students. Schools and districts, in developing and refining the professional learning system, shall also review and monitor school discipline data; school environment surveys; assessments of parental satisfaction; performance appraisal data of teachers, managers, and administrative personnel; and other performance indicators to identify school and student needs that can be met by improved professional performance.

3. Provide inservice activities coupled with follow-up ~~followup~~ support appropriate to accomplish district-level and school-level improvement goals and standards. The inservice activities for instructional and school administrative personnel shall focus on analysis of student achievement data; ongoing formal and informal assessments of student achievement; identification and use of enhanced and differentiated instructional strategies that emphasize rigor, relevance, and reading in the content areas; enhancement of subject content expertise; integrated use of classroom technology that enhances teaching and learning; classroom management; parent involvement; and school safety.

4. Provide inservice activities and support targeted to the individual needs of new teachers participating in the professional learning certification and education competency program under s. 1012.56(8)(a).

5. Include a professional learning catalog for inservice activities, pursuant to rules of the State Board of Education, for all district employees from all fund sources. The catalog must be updated annually by September 1, must be based on input from teachers and district and school instructional leaders, and

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must use the latest available student achievement data and research to enhance rigor and relevance in the classroom. Each district inservice catalog must be aligned to and support the school-based inservice catalog and school improvement plans pursuant to s. 1001.42(18). Each district inservice catalog must provide a description of the training that middle grades instructional personnel and school administrators receive on the district's code of student conduct adopted pursuant to s. 1006.07; integrated digital instruction and competency-based instruction and CAPE Digital Tool certificates and CAPE industry certifications; classroom management; student behavior and interaction; extended learning opportunities for students; and instructional leadership. District plans must be approved by the district school board annually in order to ensure compliance with subsection (1) and to allow for dissemination of research-based best practices to other districts. District school boards shall submit verification of their approval to the Commissioner of Education no later than October 1, annually. Each school principal may establish and maintain an individual professional learning plan for each instructional employee assigned to the school as a seamless component to the school improvement plans developed pursuant to s. 1001.42(18). An individual professional learning plan must be related to specific performance data for the students to whom the teacher is assigned, define the inservice objectives and specific measurable improvements expected in student performance as a result of the inservice activity, and include an evaluation component that determines the effectiveness of the professional learning plan.

6. Include inservice activities for school administrative

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personnel, aligned to the state's educational leadership standards, which address updated skills necessary for instructional leadership and effective school management pursuant to s. 1012.986.

7. Provide for systematic consultation with regional and state personnel designated to provide technical assistance and evaluation of local professional learning programs.

8. Provide for delivery of professional learning by distance learning and other technology-based delivery systems to reach more educators at lower costs.

9. Provide for the continuous evaluation of the quality and effectiveness of professional learning programs in order to eliminate ineffective programs and strategies and to expand effective ones. Evaluations must consider the impact of such activities on the performance of participating educators and their students' achievement and behavior.

10. For all grades, emphasize:

a. Interdisciplinary planning, collaboration, and instruction.

b. Alignment of curriculum and instructional materials to the state academic standards adopted pursuant to s. 1003.41.

c. Use of small learning communities; problem-solving, inquiry-driven research and analytical approaches for students; strategies and tools based on student needs; competency-based instruction; integrated digital instruction; and project-based instruction.

Each school that includes any of grades 6, 7, or 8 shall include in its school improvement plan, required under s. 1001.42(18), a

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description of the specific strategies used by the school to implement each item listed in this subparagraph.

11. Provide training to reading coaches, classroom teachers, and school administrators in effective methods of identifying characteristics of conditions such as dyslexia and other causes of diminished phonological processing skills; incorporating instructional techniques into the general education setting which are proven to improve reading performance for all students; and using predictive and other data to make instructional decisions based on individual student needs. The training must help teachers integrate phonemic awareness; phonics, word study, and spelling; reading fluency; vocabulary, including academic vocabulary; and text comprehension strategies into an explicit, systematic, and sequential approach to reading instruction, including multisensory intervention strategies. Such training for teaching foundational skills must be based on the science of reading and include phonics instruction for decoding and encoding as the primary instructional strategy for word reading. Instructional strategies included in the training may not employ the three-cueing system model of reading or visual memory as a basis for teaching word reading. Such instructional strategies may include visual information and strategies which improve background and experiential knowledge, add context, and increase oral language and vocabulary to support comprehension, but may not be used to teach word reading. Each district must provide all elementary grades instructional personnel access to training sufficient to meet the requirements of s. 1012.585(3)(f).

12. Provide at least one autism-specific professional

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development opportunity annually for instructional personnel and school-based administrators. The professional development must be developed and delivered in coordination with the district's assigned Center for Autism and Related Disabilities and must include evidence-based practices for supporting students with autism spectrum disorder across all levels of need, including academic instruction, behavioral supports, communication strategies, and inclusive practices.

Section 9. This act shall take effect July 1, 2026.

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THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Appropriations Committee on Higher
Education, *Chair*
Health Policy, *Vice Chair*
Appropriations
Appropriations Committee on Health
and
Human Services
Children, Families, and Elder Affairs
Education Postsecondary
Environment and Natural Resources
Rules

SENATOR GAYLE HARRELL
31st District

January 28, 2026

Senator Ed Hooper, Chair
Senate Committee on Appropriations
201 Senate Building
Tallahassee, FL 32399

Dear Chair Hooper,

I respectfully request that SB 206 – Students with Autism Spectrum Disorder, be placed on the next available agenda for the Appropriations Committee.

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

Thank you,

A handwritten signature in blue ink that reads "Gayle".

Senator Gayle Harrell
Senate District 31

Cc: Tim Sadberry, Staff Director
Alicia Kalista, Committee Administrative Assistant

REPLY TO:

☐ 312 SE Denver Avenue, Stuart, Florida 34994 (772) 221-4019 FAX: (888) 263-7895
☐ 404 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5031

Senate's Website: 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.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 532

INTRODUCER: Appropriations Committee on Criminal and Civil Justice; Judiciary Committee; and Senator Simon and others

SUBJECT: Clerks of the Court

DATE: February 27, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bond</u>	<u>Cibula</u>	<u>JU</u>	<u>Fav/CS</u>
2.	<u>Kolich</u>	<u>Harkness</u>	<u>ACJ</u>	<u>Fav/CS</u>
3.	<u>Kolich</u>	<u>Sadberry</u>	<u>AP</u>	<u>Favorable</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 532 allows the clerks of court to retain all the funds they collect above the Article V Revenue Estimating Conference's original revenue projection. This cumulative excess is derived from fines, fees, service charges, and court costs.

The bill also requires that a foreclosure case use the statutory foreclosure procedure, specifies that those procedures require that the clerk of court must conduct the sale, and provides conforming changes to related statutes.

The bill is estimated to provide the clerks with an additional \$13.3 million in revenue for FY 2026-2027. See Section V., Fiscal Impact Statement.

The bill is effective July 1, 2026.

II. Present Situation:

The clerk of the circuit court is a constitutional officer elected at the county level.¹ Historically, the clerk not only managed the court system (keeping court files, staffing the courtroom, and collecting criminal court fines and court-related filing fees and service charges), but also acted as

¹ FLA. CONST. art. V, s. 16.

the clerk to the county commission, auditor, recorder, and custodian of county funds. Most counties still follow this model, although some historical county-level functions of individual clerks are now assigned to other offices or officials.

Before 2004, all monies collected by the clerk went first to any fund or funds, if any, that the authorizing statute required.² The remaining monies collected by a clerk were deposited into either the county general fund or the county's fine and forfeiture fund. The clerk's budget was adopted by the county commission, which used the fine and forfeiture fund together with county general funds to pay for the services of the clerk. The county has always been responsible for providing a clerk appropriate office space and utilities, and thus, most of a clerk's budget today is for staff (wages and benefits).

A constitutional amendment, which was approved by the voters in 1998 and took effect in 2004, requires a clerk to internally split the office budget into court-related functions and county-related functions.³ The amendment required that a county fund the clerk's county-related functions. The amendment also required the state to fund court-related functions of a clerk by authorizing the clerk to retain filing fees, service charges, and other monies collected. The state is required to implement sufficient filing fees and service charges to cover a clerk's expenses and may be required to provide supplemental appropriations.

Current law provides that the Department of Revenue shall transfer 50 percent of the cumulative excess⁴ of the original revenue⁵ projection from the Clerks of the Court Trust Fund to the General Revenue Fund. The remaining 50 percent in the Clerks of the Court Trust Fund may be used in the development of the total combined budgets of the clerks of the court. However, a minimum of 10 percent of the clerk-retained portion of the cumulative excess amount must be held in reserve until such funds reach an amount equal to at least 16 percent of the total budget authority from the current county fiscal year.⁶

Current law provides a foreclosure procedure that includes sale of the subject property by the clerk of court.⁷ The procedure is optional but is used in most foreclosure cases. Recently, plaintiff attorneys have requested that courts allow procedures that differ from the suggested statutory procedure and trial court judges have allowed those differences.⁸ The troublesome differences have used private auctioneers, thus avoiding clerk of court fees and oversight of the

² For an example of the distribution requirements, a payment for a traffic ticket may be spread among as many as 20 funds, the clerk keeping the remainder. See s. 318.21, F.S. To see the current complexity of the system, there is a 125-page manual. See Florida Association of Court Clerks & Comptrollers, *2025 Distribution Schedule*, at https://cdn.ymaws.com/www.flclerks.com/resource/resmgr/publicationsanddocuments/2025_Distribution_Schedule_.pdf.

³ Revision 7, 1998 general election. See FLA. CONST. art. V, s. 14(b)-(c).

⁴ Section 28.37(2)(a), F.S., provides "Cumulative excess" means revenues derived from fines, fees, service charges, and court costs collected by the clerks of the court which are greater than the original revenue projection.

⁵ Section 28.37(2)(b), F.S., provides "Original revenue projection" means the official estimate, as determined by the Revenue Estimating Conference, of revenues from fines, fees, service charges, and court costs available for court-related functions for the county fiscal year covered by the projection.

⁶ Section 28.37, F.S.

⁷ See generally, s. 45.031, F.S.

⁸ Ben Weider and Brittany Wallman, *RIGGED. Florida lawyer writes rules to win condo auctions for \$100. Judges let him do it.* MIAMI HERALD, April 2, 2024, updated January 23, 2025, <https://www.miamiherald.com/news/business/real-estate-news/article285934076.html>.

foreclosure sale. The alternative procedures appear to have led to apparent fraud. One attorney involved in this activity has been disbarred.⁹

III. Effect of Proposed Changes:

This bill amends s. 28.37, F.S., to repeal the requirement that the Department of Revenue transfer 50 percent of the cumulative excess of the original revenue projection from the Clerks of the Court Trust Fund to the General Revenue Fund. This change allows the clerks of court to retain all the funds they collect above the Article V. Revenue Estimating Conference's original revenue projection.

The bill amends s. 45.031, F.S., to make the statutory foreclosure procedure mandatory. Only the clerk of court may conduct a foreclosure sale.

The bill is effective July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

⁹ Disposition, *In re: Petition for Disciplinary Revocation of Brad Ira Schandler*, July 3, 2025, Case No. SC2025-0676 (noting that "disciplinary revocation is tantamount to disbarment.")

C. Government Sector Impact:

The Revenue Estimating Conference (REC) reviewed SB 1322, relating to the Clerks of the Court, on January 16, 2026. Although the bill is substantially different than CS/SB 532, it includes the amendment made to s. 28.37, F.S. The REC determined that this change would result in a \$13.3 million increase to the Clerks of the Court Trust Fund for Fiscal Year 2026-2027. Subsequently, there will be a corresponding \$13.3 million decrease to the General Revenue Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 28.35, 28.36, 28.37, and 45.031.

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 Criminal and Civil Justice on February 19, 2026:

The committee substitute added the amendments to s. 45.031, F.S., that require that the clerk of court must conduct a foreclosure sale.

CS by Judiciary on February 10, 2026:

The committee substitute does not include the provisions in the original bill which would have increased fees and service charges collected by the clerks of court or the provisions directing the Office of Economic and Demographic Research to recommend further increases. The committee substitute, however, provides increased funding for clerk of court by repealing a requirement that certain cumulative excess revenues be transferred to the General Revenue Fund.

B. Amendments:

None. .

By the Appropriations Committee on Criminal and Civil Justice;
the Committee on Judiciary; and Senators Simon, Wright, Osgood,
Rodriguez, Calatayud, Jones, Smith, Bracy Davis, Boyd, Massullo,
Rouson, DiCeglie, Garcia, and Leek

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1 A bill to be entitled
2 An act relating to clerks of the court; amending s.
3 28.37, F.S.; authorizing the cumulative excess of
4 funds to be used in the development of the total
5 combined budgets of the clerks of the court; amending
6 ss. 28.35 and 28.36, F.S.; conforming provisions to
7 changes made by the act; amending s. 45.031, F.S.;
8 requiring that a court use certain sale procedures in
9 a foreclosure action; providing that only a clerk of
10 court may conduct a foreclosure sale; providing an
11 effective date.
12
13 Be It Enacted by the Legislature of the State of Florida:
14
15 Section 1. Paragraph (b) of subsection (4) of section
16 28.37, Florida Statutes, is amended to read:
17 28.37 Fines, fees, service charges, and costs remitted to
18 the state.—
19 (4)
20 (b) ~~No later than February 1, 2022, and each February 1~~
21 ~~thereafter, the Department of Revenue shall transfer 50 percent~~
22 ~~of The cumulative excess of the original revenue projection from~~
23 ~~the Clerks of the Court Trust Fund to the General Revenue Fund.~~
24 ~~The remaining 50 percent in the Clerks of the Court Trust Fund~~
25 may be used in the development of the total combined budgets of
26 the clerks of the court as provided in s. 28.35(2)(f)6. However,
27 a minimum of 10 percent of ~~the clerk retained portion of the~~
28 cumulative excess ~~amount~~ must be held in reserve until such
29 funds reach an amount equal to at least 16 percent of the total

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30 budget authority from the current county fiscal year, as
31 provided in s. 28.36(3)(a).
32 Section 2. Paragraph (f) of subsection (2) of section
33 28.35, Florida Statutes, is amended to read:
34 28.35 Florida Clerks of Court Operations Corporation.—
35 (2) The duties of the corporation shall include the
36 following:
37 (f) Approving the proposed budgets submitted by clerks of
38 the court pursuant to s. 28.36. The corporation must ensure that
39 the total combined budgets of the clerks of the court do not
40 exceed the total estimated revenues from fees, service charges,
41 court costs, and fines for court-related functions available for
42 court-related expenditures as determined by the most recent
43 Revenue Estimating Conference, plus the total of unspent
44 budgeted funds for court-related functions carried forward by
45 the clerks of the court from the previous county fiscal year,
46 plus the cumulative excess as provided in ~~balance of funds~~
47 ~~remaining in the Clerks of the Court Trust Fund after the~~
48 ~~transfer of funds to the General Revenue Fund required pursuant~~
49 ~~to~~ s. 28.37(4)(b), and plus any appropriations for court-related
50 functions. The corporation may amend any individual clerk of the
51 court budget to ensure compliance with this paragraph and must
52 consider performance measures, workload performance standards,
53 workload measures, and expense data before modifying the budget.
54 As part of this process, the corporation shall:
55 1. Calculate the minimum amount of revenue necessary for
56 each clerk of the court to efficiently perform the list of
57 court-related functions specified in paragraph (3)(a). The
58 corporation shall apply the workload measures appropriate for

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determining the individual level of review required to fund the clerk's budget.

2. Prepare a cost comparison of similarly situated clerks of the court, based on county population and numbers of filings, using the standard list of court-related functions specified in paragraph (3) (a).

3. Conduct an annual base budget review and an annual budget exercise examining the total budget of each clerk of the court. The review shall examine revenues from all sources, expenses of court-related functions, and expenses of noncourt-related functions as necessary to determine that court-related revenues are not being used for noncourt-related purposes. The review and exercise shall identify potential targeted budget reductions in the percentage amount provided in Schedule VIII-B of the state's previous year's legislative budget instructions, as referenced in s. 216.023(3), or an equivalent schedule or instruction as may be adopted by the Legislature.

4. Identify those proposed budgets containing funding for items not included on the standard list of court-related functions specified in paragraph (3) (a).

5. Identify those clerks projected to have court-related revenues insufficient to fund their anticipated court-related expenditures.

6. Use revenue estimates based on the official estimate for funds from fees, service charges, court costs, and fines for court-related functions accruing to the clerks of the court made by the Revenue Estimating Conference, as well as any unspent budgeted funds for court-related functions carried forward by the clerks of the court from the previous county fiscal year and

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the cumulative excess as provided in ~~balance of funds remaining in the Clerks of the Court Trust Fund after the transfer of funds to the General Revenue Fund required pursuant to s. 28.37(4) (b),~~ plus any appropriations for the purpose of funding court-related functions.

7. Identify pay and benefit increases in any proposed clerk budget, including, but not limited to, cost of living increases, merit increases, and bonuses.

8. Identify increases in anticipated expenditures in any clerk budget that exceeds the current year budget by more than 3 percent.

9. Identify the budget of any clerk which exceeds the average budget of similarly situated clerks by more than 10 percent.

For the purposes of this paragraph, the term "unspent budgeted funds for court-related functions" means undisbursed funds included in the clerks of the courts budgets for court-related functions established pursuant to this section and s. 28.36.

Section 3. Paragraph (b) of subsection (2) and paragraph (a) of subsection (3) of section 28.36, Florida Statutes, are amended to read:

28.36 Budget procedure.—There is established a budget procedure for the court-related functions of the clerks of the court.

(2) Each proposed budget shall further conform to the following requirements:

(b) The proposed budget must be balanced such that the total of the estimated revenues available equals or exceeds the

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total of the anticipated expenditures. Such revenues include revenue projected to be received from fees, service charges, court costs, and fines for court-related functions during the fiscal period covered by the budget, plus the total of unspent budgeted funds for court-related functions carried forward by the clerk of the court from the previous county fiscal year and the cumulative excess as provided in ~~plus the portion of the balance of funds remaining in the Clerks of the Court Trust Fund after the transfer of funds to the General Revenue Fund required pursuant to~~ s. 28.37(4)(b) which has been allocated to each respective clerk of the court by the Florida Clerks of Court Operations Corporation. For the purposes of this paragraph, the term "unspent budgeted funds for court-related functions" means undisbursed funds included in the clerk of the courts' budget for court related functions established pursuant to s. 28.35 and this section. The anticipated expenditures must be itemized as required by the corporation.

(3)(a) The Florida Clerks of Court Operations Corporation shall establish and manage a reserve for contingencies within the Clerks of the Court Trust Fund which must consist of an amount not to exceed 16 percent of the total budget authority for the clerks of court during the current county fiscal year, to be carried forward at the end of the fiscal year. Funds to be held in reserve include the transfers of cumulative excess, as provided in s. 28.37(4)(b), ~~from the Clerks of the Court Trust Fund~~ and may also include revenues provided by law or moneys appropriated by the Legislature.

Section 4. Section 45.031, Florida Statutes, is amended to read:

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45.031 Judicial sales procedure.—In a sale of real property related to a foreclosure action, the procedures provided in this section and ss. 45.0315-45.035 shall be followed. In any other sale of real or personal property under an order or judgment, the procedures provided in this section and ss. 45.0315-45.035 may be followed as an alternative to any other sale procedure if so ordered by the court.

(1) FINAL JUDGMENT.—

(a) In the order or final judgment, the court shall direct the clerk to sell the property at public sale on a specified day that shall be not less than 20 days or more than 35 days after the date thereof, on terms and conditions specified in the order or judgment. A sale may be held more than 35 days after the date of final judgment or order if the plaintiff or plaintiff's attorney consents to such time. The final judgment shall contain the following statement in conspicuous type:

IF THIS PROPERTY IS SOLD AT PUBLIC AUCTION, THERE MAY BE ADDITIONAL MONEY FROM THE SALE AFTER PAYMENT OF PERSONS WHO ARE ENTITLED TO BE PAID FROM THE SALE PROCEEDS PURSUANT TO THIS FINAL JUDGMENT.

IF YOU ARE A SUBORDINATE LIENHOLDER CLAIMING A RIGHT TO FUNDS REMAINING AFTER THE SALE, IF ANY, YOU MUST FILE A CLAIM WITH THE CLERK NO LATER THAN THE DATE THAT THE CLERK REPORTS THE FUNDS AS UNCLAIMED. IF YOU FAIL TO FILE A TIMELY CLAIM, YOU WILL NOT BE ENTITLED TO ANY REMAINING FUNDS.

(b) If the property being foreclosed on has qualified for the homestead tax exemption in the most recent approved tax

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175 roll, the final judgment shall additionally contain the
 176 following statement in conspicuous type:
 177
 178 IF YOU ARE THE PROPERTY OWNER, YOU MAY CLAIM THESE FUNDS
 179 YOURSELF. YOU ARE NOT REQUIRED TO HAVE A LAWYER OR ANY OTHER
 180 REPRESENTATION AND YOU DO NOT HAVE TO ASSIGN YOUR RIGHTS TO
 181 ANYONE ELSE IN ORDER FOR YOU TO CLAIM ANY MONEY TO WHICH YOU ARE
 182 ENTITLED. PLEASE CHECK WITH THE CLERK OF THE COURT, ...(INSERT
 183 INFORMATION FOR APPLICABLE COURT)... WITHIN TEN (10) DAYS AFTER
 184 THE SALE TO SEE IF THERE IS ADDITIONAL MONEY FROM THE
 185 FORECLOSURE SALE THAT THE CLERK HAS IN THE REGISTRY OF THE
 186 COURT.
 187
 188 IF YOU DECIDE TO SELL YOUR HOME OR HIRE SOMEONE TO HELP YOU
 189 CLAIM THE ADDITIONAL MONEY, YOU SHOULD READ VERY CAREFULLY ALL
 190 PAPERS YOU ARE REQUIRED TO SIGN, ASK SOMEONE ELSE, PREFERABLY AN
 191 ATTORNEY WHO IS NOT RELATED TO THE PERSON OFFERING TO HELP YOU,
 192 TO MAKE SURE THAT YOU UNDERSTAND WHAT YOU ARE SIGNING AND THAT
 193 YOU ARE NOT TRANSFERRING YOUR PROPERTY OR THE EQUITY IN YOUR
 194 PROPERTY WITHOUT THE PROPER INFORMATION. IF YOU CANNOT AFFORD TO
 195 PAY AN ATTORNEY, YOU MAY CONTACT ...(INSERT LOCAL OR NEAREST
 196 LEGAL AID OFFICE AND TELEPHONE NUMBER)... TO SEE IF YOU QUALIFY
 197 FINANCIALLY FOR THEIR SERVICES. IF THEY CANNOT ASSIST YOU, THEY
 198 MAY BE ABLE TO REFER YOU TO A LOCAL BAR REFERRAL AGENCY OR
 199 SUGGEST OTHER OPTIONS. IF YOU CHOOSE TO CONTACT ...(NAME OF
 200 LOCAL OR NEAREST LEGAL AID OFFICE)... FOR ASSISTANCE, YOU SHOULD
 201 DO SO AS SOON AS POSSIBLE AFTER RECEIPT OF THIS NOTICE.
 202 (c) A copy of the final judgment shall be furnished by the
 203 clerk by first-class mail to the last known address of every

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204 party to the action or to the attorney of record for such party.
 205 Any irregularity in such mailing, including the failure to
 206 include this statement in any final judgment or order, shall not
 207 affect the validity or finality of the final judgment or order
 208 or any sale held pursuant to the final judgment or order. Any
 209 sale held more than 35 days after the final judgment or order
 210 shall not affect the validity or finality of the final judgment
 211 or order or any sale held pursuant to such judgment or order.
 212 (2) PUBLICATION OF SALE.—Notice of sale shall be published
 213 on a publicly accessible website as provided in s. 50.0311 for
 214 at least 2 consecutive weeks before the sale or once a week for
 215 2 consecutive weeks in a newspaper of general circulation, as
 216 provided in chapter 50, published in the county where the sale
 217 is to be held. The second publication by newspaper shall be at
 218 least 5 days before the sale. The notice shall contain:
 219 (a) A description of the property to be sold.
 220 (b) The time and place of sale.
 221 (c) A statement that the sale will be made pursuant to the
 222 order or final judgment.
 223 (d) The caption of the action.
 224 (e) The name of the clerk making the sale.
 225 (f) A statement that any person claiming an interest in the
 226 surplus from the sale, if any, other than the property owner as
 227 of the date of the lis pendens must file a claim before the
 228 clerk reports the surplus as unclaimed.
 229
 230 The court, in its discretion, may enlarge the time of the sale.
 231 Notice of the changed time of sale shall be published as
 232 provided herein.

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233 (3) CONDUCT OF SALE; DEPOSIT REQUIRED.—The sale shall be
 234 conducted by the clerk of court at public auction at the time
 235 and place set forth in the final judgment. The clerk shall
 236 receive the service charge imposed in s. 45.035 for services in
 237 making, recording, and certifying the sale and title that shall
 238 be assessed as costs. At the time of the sale, the successful
 239 high bidder shall post with the clerk a deposit equal to 5
 240 percent of the final bid. The deposit shall be applied to the
 241 sale price at the time of payment. If final payment is not made
 242 within the prescribed period, the clerk shall readvertise the
 243 sale as provided in this section and pay all costs of the sale
 244 from the deposit. Any remaining funds shall be applied toward
 245 the judgment.

246 (4) CERTIFICATION OF SALE.—After a sale of the property the
 247 clerk shall promptly file a certificate of sale and serve a copy
 248 of it on each party in substantially the following form:

249 (Caption of Action)

251
 252 CERTIFICATE OF SALE

253
 254 The undersigned clerk of the court certifies that notice of
 255 public sale of the property described in the order or final
 256 judgment was published in, a newspaper circulated in
 257 County, Florida, in the manner shown by the proof of publication
 258 attached, and on, ... (year) ..., the property was offered
 259 for public sale to the highest and best bidder for cash. The
 260 highest and best bid received for the property in the amount of
 261 \$.... was submitted by, to whom the property was sold. The

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262 proceeds of the sale are retained for distribution in accordance
 263 with the order or final judgment or law. WITNESS my hand and the
 264 seal of this court on, ... (year)

265 ... (Clerk) ...

266 By ... (Deputy Clerk) ...

267
 268 (5) CERTIFICATE OF TITLE.—If no objections to the sale are
 269 filed within 10 days after filing the certificate of sale, the
 270 clerk shall file a certificate of title and serve a copy of it
 271 on each party in substantially the following form:

272
 273 (Caption of Action)

274
 275 CERTIFICATE OF TITLE

276
 277 The undersigned clerk of the court certifies that he or she
 278 executed and filed a certificate of sale in this action on,
 279 ... (year) ..., for the property described herein and that no
 280 objections to the sale have been filed within the time allowed
 281 for filing objections.

282 The following property in County, Florida:

283 (description)
 284 was sold to

285
 286 WITNESS my hand and the seal of the court on, ... (year)

287 ... (Clerk) ...

288 By ... (Deputy Clerk) ...

289
 290 (6) CONFIRMATION; RECORDING.—When the certificate of title

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is filed the sale shall stand confirmed, and title to the property shall pass to the purchaser named in the certificate without the necessity of any further proceedings or instruments. The certificate of title shall be recorded by the clerk.

(7) DISBURSEMENTS OF PROCEEDS.—

(a) On filing a certificate of title, the clerk shall disburse the proceeds of the sale in accordance with the order or final judgment and shall file a report of such disbursements and serve a copy of it on each party, and on the Department of Revenue if the department was named as a defendant in the action or if the Department of Commerce or the former Agency for Workforce Innovation was named as a defendant while the Department of Revenue was providing reemployment assistance tax collection services under contract with the Department of Commerce or the former Agency for Workforce Innovation through an interagency agreement pursuant to s. 443.1316.

(b) The certificate of disbursements shall be in substantially the following form:

(Caption of Action)

CERTIFICATE OF DISBURSEMENTS

The undersigned clerk of the court certifies that he or she disbursed the proceeds received from the sale of the property as provided in the order or final judgment to the persons and in the amounts as follows:

Name	Amount

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Total disbursements: \$....

Surplus retained by clerk, if any: \$....

IF YOU ARE A PERSON CLAIMING A RIGHT TO FUNDS REMAINING AFTER THE SALE, YOU MUST FILE A CLAIM WITH THE CLERK NO LATER THAN THE DATE THAT THE CLERK REPORTS THE FUNDS AS UNCLAIMED. IF YOU FAIL TO FILE A CLAIM, YOU WILL NOT BE ENTITLED TO ANY REMAINING FUNDS. AFTER THE FUNDS ARE REPORTED AS UNCLAIMED, ONLY THE OWNER OF RECORD AS OF THE DATE OF THE LIS PENDENS MAY CLAIM THE SURPLUS.

WITNESS my hand and the seal of the court on, ...(year)....

...(Clerk)...

By ...(Deputy Clerk)...

(c) If no objections to the report are served within 10 days after it is filed, the disbursements by the clerk shall stand approved as reported. If timely objections to the report are served, they shall be heard by the court. Service of objections to the report does not affect or cloud the title of the purchaser of the property in any manner.

(d) If there are funds remaining after payment of all disbursements required by the final judgment of foreclosure and shown on the certificate of disbursements, the surplus shall be distributed as provided in this section and ss. 45.0315-45.035.

(8) VALUE OF PROPERTY.—The amount of the bid for the property at the sale shall be conclusively presumed to be sufficient consideration for the sale. Any party may serve an objection to the amount of the bid within 10 days after the

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clerk files the certificate of sale. If timely objections to the bid are served, the objections shall be heard by the court. Service of objections to the amount of the bid does not affect or cloud the title of the purchaser in any manner. If the case is one in which a deficiency judgment may be sought and application is made for a deficiency, the amount bid at the sale may be considered by the court as one of the factors in determining a deficiency under the usual equitable principles.

(9) EXECUTION SALES.—This section shall not apply to property sold under executions.

(10) ELECTRONIC SALES.—The clerk may conduct the sale of real or personal property under an order or judgment pursuant to this section by electronic means. Such electronic sales shall comply with the procedures provided in this chapter, except that electronic proxy bidding shall be allowed and the clerk may require bidders to advance sufficient funds to pay the deposit required by subsection (3). The clerk shall provide access to the electronic sale by computer terminals open to the public at a designated location and shall accept an advance credit proxy bid from the plaintiff of any amount up to the maximum allowable credit bid of the plaintiff. A clerk who conducts such electronic sales may receive electronic deposits and payments related to the sale.

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



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 24th, 2026

I respectfully request that Senate Bill # 532, relating to Court Fees, 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", is written over a horizontal line. Below the line, the text "Senator Corey Simon" and "Florida Senate, District 3" is printed.

Senator Corey Simon
Florida Senate, District 3

The Florida Senate

APPEARANCE RECORD

3/2/2026

Meeting Date

Appropriations

Committee

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

SB 532

Bill Number or Topic

Amendment Barcode (if applicable)

Name **Morgan Parrish**

Phone **8505773497**

Address **215 S. Monroe St**

Email **mparrish@flclerks.com**

Street

Tallahassee

FL

32301

City

State

Zip

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

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

**Florida Court Clerks and
Comptrollers Association**

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

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

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

S-001 (08/10/2021)

3/2/2026

Meeting Date

Appropriations

Committee

The Florida Senate

APPEARANCE RECORD

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

SB 532

Bill Number or Topic

Amendment Barcode (if applicable)

Name **Jason Welty**

Phone **8503862223**

Address **2560 Barrington Circle**

Email **jwelty@~~ccoc~~.org**
f/ccoc.org

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 Clerks of Court Operation
Corporation**

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

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Appropriations Committee

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>Hunter</u>	<u>Sadberry</u>	<u>AP</u>	<u>Favorable</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

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

The head of the FLDS is appointed by the Secretary of Management Services⁵ and serves as the state chief information officer (CIO).⁶ 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.⁷ 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.⁸

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.⁹

State Cybersecurity Act

The State Cybersecurity Act¹⁰ (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

¹ 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.

² See s. 20.22, F.S.

³ Chapter 2020-161, L.O.F.

⁴ See s. 20.22(2)(b), F.S.

⁵ 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.

⁶ Section 282.0051(2)(a), F.S.

⁷ *Id.*

⁸ Section 282.0051 (1), F.S.

⁹ *Id.*

¹⁰ 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.¹¹

Additionally, under the Cybersecurity Act, the DMS must:¹²

- 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:¹³

- 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),¹⁴ 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

¹¹ Sections 282.0041(34) and 282.318(2), F.S.

¹² Section 282.318(3), F.S.

¹³ Section 282.318(4), F.S.

¹⁴ 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.¹⁵

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).¹⁶ 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.¹⁷ For FY 2025-2026, the Grant Program prioritized local governments that are fiscally constrained, within rural areas of opportunity.¹⁸

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.¹⁹

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.²⁰

¹⁵ Section 282.3185(3), F.S.

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

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

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

¹⁹ 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.

²⁰ Florida Department of Revenue, *Fiscally Constrained Counties*, https://floridarevenue.com/property/Documents/fcc_map.pdf (last visited Feb. 5, 2026).

The FLDS has chosen to procure cybersecurity solutions²¹ directly on behalf of awarded applicants,²² 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 telemetry²³ and solutions²⁴ data generated by the software awarded to the local government for FLDS to assist with responding to cybersecurity incidents.²⁵

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, 2026.²⁶ From these funds, 278 local governments have received access to cybersecurity solutions.²⁷

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.”²⁸

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

²² 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.”)

²³ 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 (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.)

²⁴ *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.

²⁵ *Id.*

²⁶ 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 (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 (last visited Feb. 3, 2026).

²⁷ 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).

²⁸ 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.²⁹ 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.³⁰ At least 25 percent of the distributed funds must go to rural areas of the state.³¹ However, the state entity must match the federal funds with a 40 percent match.³² In Fiscal Year 2023-2024, Florida received \$11,997,340 from the SLCGP; in Fiscal Year 2024-2025, it received \$8,704,903.³³

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.³⁴ 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.³⁵

Additional requirements and exemptions that relate to public records are found in various statutes and rules, depending on the branch of government involved.³⁶ 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.³⁷ 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.³⁸

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

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

³⁰ 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).

³¹ 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).

³² *Id.*

³³ 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 (last visited Feb. 1, 2026).

³⁴ FLA. CONST. art. I, s. 24(a).

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

³⁶ 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).

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

³⁸ Section 119.01(1), F.S.

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.”³⁹

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.⁴⁰ A violation of the Public Records Act may result in civil or criminal liability.⁴¹

Only the Legislature may create an exemption to public records requirements.⁴² An exemption must be created by general law and must specifically state the public necessity justifying the exemption.⁴³ 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 provisions⁴⁴ and must pass by a two-thirds vote of the members present and voting in each house of the Legislature.⁴⁵

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*.⁴⁶ 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.⁴⁷ Records designated as “exempt” may be released at the discretion of the records custodian under certain circumstances.⁴⁸

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

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

⁴⁰ Section 119.07(1)(a), F.S.

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

⁴² FLA. CONST. art. I, s. 24(c).

⁴³ *Id.*

⁴⁴ The bill may, however, contain multiple exemptions that relate to one subject.

⁴⁵ FLA. CONST. art. I, s. 24(c)

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

⁴⁷ *Id.*

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

⁴⁹ 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.

⁵⁰ 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:⁵¹

- Coverage limits and deductible or self-insurance amounts of insurance or other risk mitigation coverages acquired for the protection of information technology (IT)⁵² systems, operational technology⁵³ 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;
- Cybersecurity⁵⁴ 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:
 - Data⁵⁵ 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.”⁵⁶

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.

⁵¹ 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.

⁵² “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.”

⁵³ “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.

⁵⁴ 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.

⁵⁵ “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.

⁵⁶ 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 counties⁵⁷ 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:

- Data⁵⁸ or information (physical or virtual); or
- IT resources, which include an agency’s existing or proposed IT systems.

⁵⁷ Florida Department of Revenue, *Fiscally Constrained Counties*, https://floridarevenue.com/property/Documents/fcc_map.pdf (last visited Feb. 5, 2026).

⁵⁸ “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:

- Data⁵⁹ 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.

⁵⁹ “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.

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

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.—

Page 1 of 3

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

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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

Tallahassee, Florida 32399-1100

COMMITTEES:

Appropriations Committee on Higher
Education, *Chair*
Health Policy, *Vice Chair*
Appropriations
Appropriations Committee on Health
and
Human Services
Children, Families, and Elder Affairs
Education Postsecondary
Environment and Natural Resources
Rules

SENATOR GAYLE HARRELL

31st District

February 25, 2026

Senator Ed Hooper, Chair
Senate Committee on appropriations
201 The Capitol
Tallahassee, FL 32399

Dear Chair Hooper,

I respectfully request that SB 576 – Local Government Cyber Security, be placed on the next available agenda for the Committee on Appropriations.

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

Thank you,

A handwritten signature in blue ink that reads "Gayle".

Senator Gayle Harrell
Senate District 31

Cc: Tim Sadberry, Staff Director
Alicia Kalista, Committee Administrative Assistant

REPLY TO:

☐ 312 SE Denver Avenue, Stuart, Florida 34994 (772) 221-4019 FAX: (888) 263-7895
☐ 404 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5031

Senate's Website: 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.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1012

INTRODUCER: Appropriations Committee; Appropriations Committee on Criminal and Civil Justice;
and Senator Yarborough

SUBJECT: Inmate Services

DATE: March 4, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wyant	Stokes	CJ	Favorable
2.	Atchley	Harkness	ACJ	Fav/CS
3.	Atchley	Sadberry	AP	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1012 revises provisions relating to the Contractor-Operated Institution Inmate Welfare Trust Fund.

The bill amends s. 945.215, F.S., to provide that funds in the Contractor-Operated Institution Inmate Welfare Trust Fund must be used exclusively to provide for, or operate the following, at contractor-operated correctional facilities:

- Programs to aid inmates' reintegration into society.
- Environmental health upgrades to facilities, including fixed capital outlay for repairs and maintenance that would improve environmental conditions of the correctional facilities.

Additionally, the bill requires maintenance and repair deduction fees from contractor-operated correctional facilities to be deposited into the Contractor-Operated Institutions Inmate Welfare Trust Fund.

The bill takes effect July 1, 2026.

II. Present Situation:

Contractor-Operated Institutions Inmate Welfare Trust Fund

Contractor-operated institutions or contractor-operated correctional facilities, formerly known as private prisons, are under contract with the DOC.¹

Proceeds from inmate canteens, vending machines primarily used by inmates, telephone commissions, and similar sources are deposited into the Contractor-Operated Institutions Inmate Welfare Trust Fund² and can only be expended pursuant to legislative appropriation.³

In contrast, the State-Operated Institutions Inmate Welfare Trust Fund is held by the DOC for the benefit and welfare of inmates incarcerated in the correctional facilities operated directly by the DOC. The funds in the State-Operated Institutional Inmate Welfare Trust Fund must be used exclusively to provide for or operate any of the following at correctional facilities operated by the DOC:

- Literacy programs, vocational training programs, and educational programs, including fixed capital outlay for educational facilities.
- Inmate chapels, faith-based programs, visiting pavilions, visiting services and programs, family services and programs, and libraries.
- Inmate substance abuse treatment programs and transition and life skills training programs.
- The purchase, rental, maintenance, or repair of electronic or audiovisual equipment, media, services, and programming used by inmates.
- The purchase, rental, maintenance, or repair of recreation and wellness equipment.
- The purchase, rental, maintenance, or repair of bicycles used by inmates traveling to and from employment in the work-release program.
- Environmental health upgrades to facilities, including fixed capital outlay for repairs and maintenance that would improve environmental conditions of the correctional facilities.⁴

Contractor-Operated Correctional Facilities

A contract entered into for the operation of contractor-operated correctional facilities, formerly known as private prisons, must maximize the cost savings⁵ of such facilities and:

- Is not exempt from ch. 287, F.S., including the competitive solicitation requirements.
- Be executed with the contractor most qualified.
- Indemnify the state and the DOC against any and all liability.
- Require that the contractor seek, obtain, and maintain accreditation by the American Correctional Association for the facility under that contract.

¹ Section 945.215(3)(a), F.S.

² Section 945.215(3)(b)1., F.S.

³ Section 945.215(3)(b)2., F.S.

⁴ Section 945.215(2)(c)1.-7., F.S.

⁵ The department may not enter into a contract or series of contracts unless the DOC determines that the contract or series of contracts in total for the facility will result in a cost savings to the state of at least 7 percent over the public provision of a similar facility. Section 957.07, F.S.

- Require the proposed facilities and the management plans for the inmates meet applicable American Correctional Association standards and the requirements of all applicable court orders and state law.
- Establish operations standards for correctional facilities subject to the contract.
- Require the contractor to be responsible for a range of dental, medical, and psychological services; diet; education; and work programs at least equal to those provided by the DOC in comparable facilities.
- Require the selection and appointment of a full-time contract monitor, appointed and supervised by the DOC.
- Be contracted for a period of three years and may be renewed for successive two-year periods thereafter.⁶

There are currently seven contractor-operated correctional facilities in Florida, operated by Management & Training Corporation, the GEO Group, or CoreCivic. The state owns the buildings and grants the contractors exclusive rights to use them.⁷ The following correctional facilities are contract-operated correctional facilities:

- Bay Correctional Facility.
- Blackwater River Correctional Facility.
- Gadsden Correctional Facility.
- Graceville Correctional Facility.
- Lake City Correctional Facility.
- Moore Haven Correctional Facility.
- South Bay Correctional Facility.

III. Effect of Proposed Changes:

The bill amends s. 945.215, F.S., to require funds in the Contractor-Operated Institutions Inmate Welfare Trust Fund be used to exclusively provide for, or operate the following at, contractor-operated correctional facilities:

- Programs to aid inmates' reintegration into society; or
- Environmental health upgrades to facilities, including fixed capital outlay for repairs and maintenance that would improve environmental conditions of the correctional facilities.

Additionally, the bill requires maintenance and repair deduction fees from contractor-operated correctional facilities to be deposited into the Contractor-Operated Institutions Inmate Welfare Trust Fund.

The bill also reenacts s. 944.72(1), F.S., relating to the Contractor-Operated Institutions Inmate Welfare Trust Fund, to incorporate the changes made to the authorized uses of the trust fund in the bill.

The bill takes effect July 1, 2026.

⁶ Section 957.04(1)(a)-(i), F.S.

⁷ E-mail, *Private Prison Info*, from Katherine Shea, January 28, 2026 (on file with the Senate Committee on Criminal Justice).

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

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

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 945.215 of the Florida Statutes.

This bill reenacts section 944.72 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 on March 2, 2026:

The committee substitute removes Section 2 of the bill which provided definitions, prohibited compensation to a hospital for emergency medical services and care provided to inmates from exceeding the Medicare allowable rate, and prohibited compensation to an entity providing emergency medical transportation services for inmates from exceeding the Medicaid allowable rate.

CS by Appropriations Committee on Criminal and Civil Justice on February 12, 2026:

The committee substitute:

- Requires maintenance and repair deduction fees from contractor-operated facilities to be deposited into the Contractor-Operated Institutions Inmate Welfare Trust Fund.
- Removes provisions requiring emergency services and specialty physicians to provide care at a Medicaid rate.
- Provided compensation to a community health care provider may not exceed 110 percent of the relevant Medicare allowable rate, unless contracted for.
- Provides compensation to a hospital for emergency services may not exceed 110 of the Medicare allowable rate.
- Defines “emergency medical condition,” “emergency medical services and care,” “emergency medical transport services,” and “inmate medical services.”

- B. **Amendments:**

None.



264582

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Yarborough) recommended the following:

Senate Amendment (with title amendment)

Delete lines 50 - 162.

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

And the title is amended as follows:

Delete lines 9 - 18

and insert:

reenacting s.

By the Appropriations Committee on Criminal and Civil Justice;
and Senator Yarborough

604-02835-26

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1 A bill to be entitled
2 An act relating to inmate services; amending s.
3 945.215, F.S.; requiring that maintenance and repair
4 deduction fees from contractor-operated correctional
5 facilities be deposited in the Contractor-Operated
6 Institutions Inmate Welfare Trust Fund; requiring that
7 funds from the Contractor-Operated Institutions Inmate
8 Welfare Trust Fund be used for specified purposes;
9 amending s. 945.6041, F.S.; providing legislative
10 findings; providing and revising definitions; revising
11 compensation for the provision of inmate medical
12 services by certain providers; providing an exemption;
13 prohibiting compensation to a hospital for the
14 provision of emergency medical services and care
15 provided to inmates from exceeding a certain
16 percentage of the Medicare allowable rate; revising
17 compensation for the provision of inmate emergency
18 medical transportation services; reenacting s.
19 944.72(1), F.S., relating to the Contractor-Operated
20 Institutions Inmate Welfare Trust Fund, to incorporate
21 the amendment made to s. 945.215, F.S., in a reference
22 thereto; providing effective dates.
23
24 Be It Enacted by the Legislature of the State of Florida:
25
26 Section 1. Paragraph (b) of subsection (3) of section
27 945.215, Florida Statutes, is amended to read:
28 945.215 Inmate welfare and employee benefit trust funds.—
29 (3) CONTRACTOR-OPERATED INSTITUTIONS INMATE WELFARE TRUST

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30 FUND; CONTRACTOR-OPERATED CORRECTIONAL FACILITIES.—
31 (b)1. The net proceeds derived from inmate canteens,
32 vending machines used primarily by inmates, telephone
33 commissions, and similar sources at contractor-operated
34 correctional facilities shall be deposited in the Contractor-
35 Operated Institutions Inmate Welfare Trust Fund.
36 2. Maintenance and repair deduction fees from contractor-
37 operated correctional facilities shall be deposited in the
38 Contractor-Operated Institutions Inmate Welfare Trust Fund.
39 3. Funds in the Contractor-Operated Institutions Inmate
40 Welfare Trust Fund shall be used exclusively to provide for or
41 to operate any of the following at contractor-operated
42 correctional facilities:
43 a. Programs to aid inmates' reintegration into society.
44 b. Environmental health upgrades to facilities, including
45 fixed capital outlay for repairs and maintenance that would
46 improve environmental conditions of the correctional facilities.
47 4.2- Funds in the Contractor-Operated Institutions Inmate
48 Welfare Trust Fund shall be expended only pursuant to
49 legislative appropriation.
50 Section 2. Effective October 1, 2026, section 945.6041,
51 Florida Statutes, is amended to read:
52 945.6041 Compensation for inmate emergency and specialty
53 medical services.—
54 (1) The Legislature finds that the department relies on
55 community health care providers to provide emergency and
56 specialty medical services to incarcerated inmates which cannot
57 be provided by health care staff inside a state correctional
58 institution or facility. The Legislature further finds that the

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department has experienced a substantial increase in inmate health care costs.

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

~~(a) "Emergency medical transportation services" includes, but is not limited to, services rendered by ambulances, emergency medical services vehicles, and air ambulances as those terms are defined in s. 401.23.~~

(a)(b) "Community health care provider" means:

1. A hospital licensed under chapter 395.

2. A physician or physician assistant licensed under chapter 458.

3. An osteopathic physician or physician assistant licensed under chapter 459.

4. A podiatric physician licensed under chapter 461.

5. An autonomous advanced practice registered nurse licensed under chapter 464.

~~6.5-~~ A health maintenance organization certificated under part I of chapter 641.

~~7.6-~~ An ambulatory surgical center licensed under chapter 395.

~~8.7-~~ A professional association, partnership, corporation, joint venture, or other association established by the individuals set forth in subparagraphs 2., 3., and 4. for professional activity.

~~9.8-~~ An other medical facility.

a. As used in this subparagraph, the term "other medical facility" means:

(I) A facility the primary purpose of which is to provide human medical diagnostic services, or a facility providing

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nonsurgical human medical treatment which discharges patients on the same working day that the patients are admitted; and

(II) A facility that is not part of a hospital.

b. The term does not include a facility existing for the primary purpose of performing terminations of pregnancy, or an office maintained by a physician or dentist for the practice of medicine.

(b) "Emergency medical condition" has the same meaning as in s. 395.002(8).

(c) "Emergency medical services and care" means medical screening, examination, and evaluation by a physician, or, to the extent permitted by applicable law, by other appropriate personnel under the supervision of a physician, to determine whether an emergency medical condition exists and, if so, the care, treatment, or surgery by a physician necessary to relieve or eliminate the emergency medical condition, within the service capability of the facility.

(d) "Emergency medical transportation services" includes, but is not limited to, services rendered by ambulances, emergency medical services vehicles, and air ambulances as those terms are defined in s. 401.23.

(e) "Hospital" means any facility licensed under chapter 395.

(f) "Inmate medical services" includes, but is not limited to, all services rendered by a community health care provider to an inmate, except emergency medical services and care provided by a hospital.

(g) "Medicaid allowable rate" means the amount that the Agency for Health Care Administration would reimburse a Medicaid

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provider, as defined in s. 409.901, for Medicaid-covered services delivered through the fee-for-service program.

(h) "Medicare allowable rate" means the amount set by the Centers for Medicare and Medicaid Services which Medicare will pay for a specific covered service.

(i) "Secure unit" means a designated space, approved by the department, where the department can safely and efficiently manage and secure inmates receiving medical services from a community health care provider.

(3)(2) Compensation to a community health care provider for the provision of to provide inmate medical services may not exceed 110 percent of the relevant Medicare allowable rate if the health care provider does not have a contract to provide services with the department or the contractor-operated correctional facility, as defined in s. 944.710, which houses the inmate. However, a community health care provider is exempt from this section and may negotiate compensation above 110 percent of the relevant Medicare allowable rate if the community health care provider enters into an agreement with the department, a comprehensive health care services vendor, or a contractor-operated correctional facility, as defined in s. 944.710, to provide health care services to inmates in a secure unit within the community health care provider's medical facility, within a correctional institution or facility, or by telehealth in accordance with s. 456.47 if such inmates are within the correctional institution or facility when they receive medical services ~~compensation to a health care provider may not exceed 125 percent of the Medicare allowable rate if:~~

~~(a) The health care provider does not have a contract to~~

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~~provide services with the department or the contractor-operated correctional facility, as defined in s. 944.710, which houses the inmate; and~~

~~(b) The health care provider reported a negative operating margin for the previous year to the Agency for Health Care Administration through hospital-audited financial data.~~

(4) Compensation to a hospital for the provision of emergency medical services and care provided to inmates may not exceed 110 percent of the Medicare allowable rate.

(5)(3) Compensation to an entity to provide emergency medical transportation services for inmates may not exceed ~~110 percent of the Medicaid Medicare~~ allowable rate if the entity does not have a contract with the department or a contractor-operated correctional facility, as defined in s. 944.710, to provide the services.

(6)(4) This section does not apply to charges for medical services provided at a hospital operated by the department.

Section 3. For the purpose of incorporating the amendment made by this act to section 945.215, Florida Statutes, in a reference thereto, subsection (1) of section 944.72, Florida Statutes, is reenacted to read:

944.72 Contractor-Operated Institutions Inmate Welfare Trust Fund.—

(1) There is hereby created in the Department of Corrections the Contractor-Operated Institutions Inmate Welfare Trust Fund. The purpose of the trust fund shall be the benefit and welfare of inmates incarcerated in contractor-operated correctional facilities under contract with the department pursuant to this chapter or chapter 957. Moneys shall be

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175 deposited in the trust fund and expenditures made from the trust
176 fund as provided in s. 945.215.

177 Section 4. Except as otherwise expressly provided in this
178 act, this act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 16, 2026

I respectfully request that **Senate Bill #1012**, relating to Inmate Services, be placed on the:

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



Senator Clay Yarborough
Florida Senate, District 4

The Florida Senate

APPEARANCE RECORD

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

3/2/2020

Meeting Date

Appropriations

Committee

SB 1012

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Katherine Shea

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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 Department of
Corrections

☐

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

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 1110

INTRODUCER: Banking and Insurance Committee and Senator Truenow and others

SUBJECT: Coverage for Orthotics and Prosthetics Services

DATE: February 27, 2026

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. <u>Moody</u>	<u>Knudson</u>	<u>BI</u>	Fav/CS
2. <u>Barr</u>	<u>McKnight</u>	<u>AHS</u>	Favorable
3. <u>Barr</u>	<u>Sadberry</u>	<u>AP</u>	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1110 modifies the optional Medicaid coverage for durable medical equipment to specify the inclusion of orthotics and prosthetics. The additional coverage applies to the following “eligible individuals”:

- A child younger than 18 years old;
- A dependent child;
- An individual 26 years of age or younger who remains covered under a parent’s health insurance policy; or
- An individual with a developmental disability.

The bill authorizes the Agency for Health Care Administration (AHCA) to provide Medicaid coverage payment for certain orthotics and prosthetics, all materials and components necessary to use them, instructions on their use, and any necessary repairs or replacements. The AHCA is required to seek federal approval and amend contracts as necessary to implement the change made to Medicaid coverage in the bill.

The bill also mandates coverage of certain orthotics and prosthetics for insured eligible individuals if certain conditions are met for the following types of insurance coverage beginning on or after July 1, 2026:

- An individual accident and health insurance policy (“individual insurance policy”),
- A group, blanket, and franchise health insurance (“group insurance policy”), and
- A health maintenance organization (HMO) contract.

The bill provides that an insurer or HMO may require supporting documentation from an insured's provider to confirm the need for a replacement that is less than three years old. An insurer or HMO may not deny a claim that is medically necessary to restore a physical function for an insured with a disability which would be covered by a nondisabled person. The bill requires insurers and HMOs to submit an annual report to the Office of Insurance Regulation with specified information.

The bill will have a significant recurring negative fiscal impact on state expenditures. See **Section IV., Fiscal Impact Statement.**

The bill takes effect July 1, 2026.

II. Present Situation:

Regulation of Insurance in Florida

The Office of Insurance Regulation (OIR) regulates specified insurance products, insurers and other risk bearing entities in Florida.¹ As part of their regulatory oversight, the OIR may suspend or revoke an insurer's certificate of authority under certain conditions.² The OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each insurer that holds a certificate of authority to transact insurance business in Florida.³ As part of the examination process, all persons being examined must make available to the OIR the accounts, records, documents, files, information, assets, and matters in their possession or control that relate to the subject of the examination.⁴ The OIR is also authorized to conduct market conduct examinations to determine compliance with applicable provisions of the Insurance Code.⁵

The Agency for Health Care Administration (AHCA) regulates the quality of care by health maintenance organizations (HMO) under part III of ch. 641, F.S. Before receiving a certificate of authority from the OIR, an HMO must receive a Health Care Provider Certificate from the AHCA.⁶ As part of the certificate process used by the agency, an HMO must provide information to demonstrate that the HMO can provide quality of care consistent with the prevailing standards of care.⁷

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

² Section 624.418, F.S.

³ Section 624.316(1)(a), F.S.

⁴ Section 624.318(2), F.S.

⁵ Section 624.3161, F.S.

⁶ Section 641.21(1), F.S.

⁷ Section 641.495, F.S.

Florida's Medicaid Program⁸

Administration of the Program

The Agency for Health Care Administration (AHCA) is the single state agency responsible for the administration of the Florida Medicaid program, authorized under Title XIX of the Social Security Act (SSA). This authority includes establishing and maintaining a Medicaid state plan approved by the federal Centers for Medicare and Medicaid Services and maintaining any Medicaid waivers needed to operate the Florida Medicaid program as directed by the Florida Legislature.

A Medicaid state plan is an agreement between a state and the federal government describing how that state administers its Medicaid programs; it establishes groups of individuals covered under the Medicaid program, services that are provided, payment methodologies, and other administrative and organizational requirements. State Medicaid programs may request a formal waiver of the requirements codified in the SSA. Federal waivers give states flexibility not afforded through their Medicaid state plan.

The structure of each state's Medicaid program varies and what states must pay for is largely determined by the federal government, as a condition of receiving federal funds. Federal law sets the amount, scope, and duration of services offered in the program, among other requirements. The federal government sets the minimum mandatory populations and minimum mandatory benefits to be covered in every state Medicaid program. States can add optional benefits, with federal approval. Florida has added many optional benefits including prescription drugs, ambulatory surgical center services, and dialysis.

Medicaid services can be delivered both fee-for-services (FFS) or through a managed care delivery model. In FFS, providers contract directly with the AHCA to provide services, and bill and get reimbursed directly by the AHCA. In a managed care delivery model, managed care plans contract with the AHCA and are paid a per member per month capitated payment for providing all of an enrollee's medical, dental, or home and community-based care, depending on the type of managed care plan.

In Florida, most Medicaid recipients receive their services through a managed care plan contracted with the AHCA under the Statewide Medicaid Managed Care (SMMC) program. The SMMC program has three components: Managed Medical Assistance (MMA), Long-Term Care (LTC), and Dental. Florida's SMMC program benefits are authorized through federal waivers and are specifically required by the Florida Legislature in ss. 409.973 and 409.98, F.S. The SMMC benefits are a robust health care package covering acute, preventive, behavioral health, prescribed drugs, LTC services and dental services.

⁸ Agency for Healthcare Administration, *Senate Bill 1110 Legislative Analysis* (Jan. 8, 2026) (on file with Senate Committee on Banking and Insurance) (hereinafter cited as "2026 AHCA Agency Analysis for SB 1110").

Mandatory Medicaid Coverage

Section 409.905, F.S., relating to mandatory Medicaid services, provides that the AHCA may make payments for delineated services, which are required of the state for federal participation. Currently, the Florida Medicaid program covers several mandatory services, such as:

- Advanced practice registered nurse services.⁹
- Home health care services.¹⁰
- Covered hospital inpatient services.¹¹
- Hospital outpatient services.¹²
- Independent Laboratory Services.¹³
- Early and periodic screening, diagnosis, and treatment services for children under 21, including durable medical equipment determined to be medically necessary for the treatment, correction, or amelioration the problem.¹⁴

Optional Services

Florida law authorizes the AHCA to make payments for services which are optional to the state and have received federal approval through the state plan or a federal waiver..¹⁵ Some of the optional services covered include:

- Adult dental care.¹⁶
- Chiropractic services.¹⁷
- Community mental health services.¹⁸
- Durable medical equipment.¹⁹

Florida Medicaid Durable Medical Equipment and Medical Supply Services Coverage²⁰

- The Florida Medicaid program currently covers orthotic and prosthetic durable medical equipment services regardless of diagnosis, condition, or regardless so how the device is to be used. The current fee schedule includes 699 available current procedural terminology codes for orthotics and prosthetics. Should a medically necessary device exist that is not specifically outlined in the fee schedule, a provider may seek prior authorization for the device.

⁹ Section 409.905(1), F.S.

¹⁰ Section 409.905(4), F.S.

¹¹ Section 409.905(5), F.S.

¹² Section 409.905(6), F.S.

¹³ Section 409.905(7), F.S.

¹⁴ Section 409.905(2), F.S.

¹⁵ Section 409.906, F.S.

¹⁶ Section 409.906(1), F.S.

¹⁷ Section 409.906(7), F.S.

¹⁸ Section 409.906(8), F.S.

¹⁹ Section 409.906(10), F.S. (providing the AHCA may authorize and pay for certain durable medical equipment and supplies provided to a Medicaid recipient as medically necessary).

²⁰ Agency for Healthcare Administration, *Committee Substitute for Senate Bill 1110 Legislative Analysis* (Feb. 19, 2026)(on file with the Senate Appropriations Committee on Health and Human Services).

Florida Medicaid Physical Therapy and Occupational Therapy Services Coverage

Florida Medicaid provides physical therapy (PT) and occupational therapy (OT) services for recipients under 21 years of age and wheelchair evaluations for all recipients, regardless of age. Many of the managed care plans under the SMMC, however, provided PT and OT services as expanded benefits, which are considered provided at no cost to the Medicaid program. Additionally, therapy services are covered for individuals enrolled under a waiver program, such as the iBudget Waiver.²¹

Patient Protection and Affordable Care Act

Essential Benefits

Under the Patient Protection and Affordable Care Act (PPACA),²² all non-grandfathered health plans in the non-group and small-group private health insurance markets must offer a core package of health care services known as the essential health benefits (EHBs). While the PPACA does not specify the benefits within the EHB, it provides 10 categories of benefits and services that must be covered and it requires the Secretary of Health and Human Services to further define the EHB.²³

The 10 EHB categories are:

- Ambulatory patient services.
- Emergency services.
- Hospitalization.
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment.
- Prescription drugs.
- Rehabilitation and habilitation services and devices.
- Laboratory services.
- Preventive and wellness services and chronic disease management.
- Pediatric services, including oral and vision care.²⁴

The PPACA requires each state to select its own reference benchmark plan as its EHB benchmark plan that all other health plans in the state use as a model. Beginning in 2020, states could choose a new EHB plan using one of three options, including: selecting another's state benchmark plan; replacing one or more categories of EHB benefits; or selecting a set of benefits that would become the State's EHB benchmark plan.²⁵ Florida selected its EHB plan before 2012 and has not modified that selection.²⁶

²¹ Agency for Healthcare Administration, *Committee Substitute for Senate Bill 1110 Legislative Analysis* (Feb. 19, 2026)(on file with the Senate Appropriations Committee on Health and Human Services).

²² Patient Protection and Affordable Care Act of 2010. Pub. L. No. 111-141, as amended.

²³ 45 CFR 156.100. et seq.

²⁴ 45 CFR 156.110

²⁵ Centers for Medicare and Medicare Services, *Marketplace – Essential Health Benefits*, <https://www.cms.gov/marketplace/resources/data/essential-health-benefits> (last reviewed Feb. 19, 2026).

²⁶ Centers for Medicare and Medicaid Services, *Information on Essential Health Benefits (EHB) Benchmark Plans*, Florida State Required Benefits, <https://downloads.cms.gov/> (last viewed on Feb. 19, 2026).

Individual Insurance Policies

Florida law requires individual insurance policies to comply with several requirements, such as required provisions,²⁷ limits on preexisting conditions,²⁸ and claims processing.²⁹ There are several provisions that require minimum mandatory coverage for certain services, such as mammograms,³⁰ diabetes treatment services,³¹ and osteoporosis³² that meet certain criteria. Any health insurance policy that provides coverage for mastectomies must also provide coverage for prosthetic devices and breast reconstructive surgery incident to the mastectomy.³³

Group Insurance Policies

Group health insurance is health insurance covering groups of persons under a master group health insurance policy issued to specified groups, such as employee groups.³⁴ Group coverage does not apply to certain types of policies, such as auto medical payments and workers compensation.³⁵ Similar to individual insurance policies, there are several provisions that require minimum mandatory coverage for certain services, such as mammograms,³⁶ diabetes treatment services,³⁷ and osteoporosis³⁸ that meet certain criteria. Any health insurance policy that provides coverage for mastectomies must also provide coverage for prosthetic devices and breast reconstructive surgery incident to the mastectomy.³⁹

HMO Contracts

“Health maintenance contract” means any contract entered into by a health maintenance organization with a subscriber or group of subscribers to provide coverage for comprehensive health care services in exchange for a prepaid per capita or prepaid aggregated fixed sum.⁴⁰ An health maintenance organization⁴¹ (HMO) that issues a health insurance contract must renew or

²⁷ Section 627.605, F.S.

²⁸ Section 627.6046, F.S.

²⁹ See ss. 627.610 and 627.611, F.S.

³⁰ Section 627.6418, F.S.

³¹ Section 627.6408, F.S.

³² Section 627.6409, F.S.

³³ Section 627.6417(1), F.S. (providing the coverage for prosthetic devices and breast reconstructive surgery is subject to any deductible and coinsurance conditions and all other terms and conditions applicable to other benefits).

³⁴ Sections 627.652-627.653, F.S.

³⁵ Section 627.6513, F.S.

³⁶ Section 627.6613, F.S.

³⁷ Section 627.65745, F.S.

³⁸ Section 627.6691, F.S.

³⁹ Section 627.6612(1), F.S. (providing the coverage for prosthetic devices and breast reconstructive surgery is subject to any deductible and coinsurance conditions and all other terms and conditions applicable to other benefits).

⁴⁰ Section 641.19(11), F.S.

⁴¹ Section 641.19(12), F.S., defines “health maintenance organization” as any organization authorized under part I under ch. 641, F.S., which: (a) Provides, through arrangements with other persons, emergency care, inpatient hospital services, physician care including care provided by physicians licensed under chs. 458, 459, 460, and 461, F.S., ambulatory diagnostic treatment, and preventive health care services; (b) Provides, either directly or through arrangements with other persons, health care services to persons enrolled with such organization, on a prepaid per capita or prepaid aggregate fixed-sum basis; (c) Provides, either directly or through arrangements with other persons, comprehensive health care services which subscribers are entitled to receive pursuant to a contract; (d) Provides physician services, by physician licensed under chs. 458, 459, 460, and 461, F.S., directly through physicians who are either employees or partners of such organization or under

continue in force such coverage at the option of the contract holder. There are provisions that require minimum mandatory coverage for certain services, such as mammograms⁴² and certain developmental disabilities.⁴³ Similar to individual and group insurance policies, a health maintenance contract that provides coverage for mastectomies must also provide coverage for prosthetic devices and breast reconstructive surgery incident to the mastectomy.⁴⁴

Employee Health Care Access Act

The Employee Health Care Access Act is intended to promote health insurance availability for small employers⁴⁵ that employ an average of at least one but not more than 50 eligible employees on business days during the preceding calendar year.⁴⁶ To transact business in Florida, every small employer carrier must offer and issue all small employer health benefits plans on a guaranteed-issued basis to every eligible small employer that meets certain conditions.⁴⁷ The Financial Services Commission may establish rules to ensure that small employer carrier rates are reasonable and reflect objective differences in plan design.⁴⁸

State Employee Health Plan

For state employees who participate in the state employee benefit program, the Department of Management Services through the Division of State Group Insurance (DSGI) administers the state group health insurance program (Program).⁴⁹ The Program is a cafeteria plan managed consistent with section 125 of the Internal Revenue Service Code.⁵⁰ To administer the program, DSGI contracts with third party administrators for self-insured plans, a fully insured HMO, and a pharmacy benefits manager for the state employees' self-insured prescription drug program, pursuant to s.110.12315, F.S. For the 2025 Plan Year, which began January 1, 2026, the HMO plans under contract with DSGI are Aetna, Capital Health Plan, and United Healthcare, and the preferred provider organization (PPO) plan is Florida Blue.⁵¹

arrangements with a physician or any group of physicians; (e) If offering services through a managed care system, has a system in which a primary physician licensed under chs. 458, 459, 460, and 461, F.S., is designed for each subscriber upon request of a subscriber requesting service by a physician licensed under any of those chapters, and is responsible for coordinating the health care of the subscriber of the respectively requested service and for referring the subscriber to other providers of the same discipline when necessary.

⁴² Section 641.31095, F.S.

⁴³ Section 641.31098, F.S.

⁴⁴ Section 641.31(32), F.S. (providing coverage for prosthetic devices and breast reconstructive surgery is subject to any deductible and coinsurance conditions).

⁴⁵ Section 627.6699(2), F.S.

⁴⁶ Section 627.6699(3)(v), F.S.

⁴⁷ Section 627.6699(5)(b), F.S.

⁴⁸ Section 627.6699(6)(a), F.S.

⁴⁹ Section 110.123, F.S.

⁵⁰ A section 125 cafeteria plan is a type of employer offered, flexible health insurance plan that provides employees a menu of pre-tax and taxable qualified benefits to choose from, but employees must be offered at least one taxable benefit such as cash, and one qualified benefit, such as a Health Savings Account.

⁵¹ Department of Management Services, Division of State Group Insurance, *2024 Open Enrollment Brochure for Active State Employee Participants*, https://www.mybenefits.myflorida.com/beta - open_enrollment (last visited Feb. 19, 2026).

Study of Mandated Health Benefits

Section 624.215, F.S., directs every person or organization seeking consideration of a legislative proposal which would mandate a health coverage or the offering of a health coverage by an insurance carrier, health care service contractor, or health maintenance organization as a component of individual or group policies, must submit to the AHCA and the legislative committees having jurisdiction a report which assesses the social and financial impacts of the proposed coverage.

The requirement is designed to assist the Legislature in determining whether mandating a particular coverage or the offer of such coverage is in the public interest through a systematic evaluation of a proposed mandated benefit's beneficial social and health consequences which may be in the public interest in contrast with the potential increased cost of health insurance premiums.

The guidelines for assessing the impact of a proposed mandated or mandatorily offered health coverage, to the extent that information is available, shall include:

- To what extent is the treatment or service generally used by a significant portion of the population.
- To what extent is the insurance coverage generally available.
- If the insurance coverage is not generally available, to what extent does the lack of coverage result in persons avoiding necessary health care treatment.
- If the coverage is not generally available, to what extent does the lack of coverage result in unreasonable financial hardship.
- The level of public demand for the treatment or service.
- The level of public demand for insurance coverage of the treatment or service.
- The level of interest of collective bargaining agents in negotiating for the inclusion of this coverage in group contracts.
- To what extent will the coverage increase or decrease the cost of the treatment or service.
- To what extent will the coverage increase the appropriate uses of the treatment or service.
- To what extent will the mandated treatment or service be a substitute for a more expensive treatment or service.
- To what extent will the coverage increase or decrease the administrative expenses of insurance companies and the premium and administrative expenses of policyholders.
- The impact of this coverage on the total cost of health care.

III. Effect of Proposed Changes:

Section 1 specifies Medicaid coverage and authorizes the Agency for Health Care Administration (AHCA) to pay for the following orthotics and prosthetics services for eligible individuals:

- Orthoses⁵² and prostheses.⁵³ Coverage must include payment for:
 - The model of an orthosis or a prosthesis which is deemed by the recipient's provider to be the most appropriate to meet the medical needs of the recipient to perform activities of daily living and essential job-related activities; and
 - When medically necessary, an orthosis or a prosthesis designed for physical or recreational activities that maximize the recipient's full body health and lower and upper limb function.
- All materials and components necessary to use the orthosis or prosthesis.
- Instruction on the use of the orthosis or prosthesis.
- Any necessary repairs or replacement of the orthosis or prosthesis.

The bill defines "eligible individual" as a Medicaid recipient who is:

- A child younger than 18 years of age;
- A dependent child as specified in s. 627.6562;
- An individual 26 years of age or younger who remains covered under a parent's health insurance policy pursuant to s. 627.6562, F.S.; or
- An individual with a developmental disability as defined in s. 393.063.

Section 2 requires the AHCA to seek federal approval and amend contracts as necessary to implement the coverages provided in Section 1 of the bill.

Sections 3, 4, and 5 create ss. 627.64085, 627.6614, and 641.31079, F.S., relating to an individual insurance policy; a group insurance policy; and a health maintenance organization (HMO) contract, respectively, to revise the state's coverage mandates for orthotics and prosthetics for an eligible individual beginning on or after July 1, 2026. Insurers and HMOs must provide coverage for the following:

- An orthosis or a prosthesis that is medically necessary for the insured to perform activities of daily living, essential job-related activities, and physical recreational activities, such as running, biking, swimming, strength training, and other activities that maximize the insured's or subscriber's full body health and lower and upper limb function.
- Any replacement of the orthosis or prosthesis, or part thereof, without regard to continuous use or useful lifetime restrictions, if the insured's or subscriber's provider determines that it is medically necessary due to one of the following:

⁵² Section 468.80(6), F.S., defines "orthosis" as any medical device used to provide support, correction, or alleviation of neuromuscular or musculoskeletal dysfunction, disease, injury, or deformity but does not include the following assistive technology devices: upper extremity adaptive equipment used to facilitate the activities of daily living, including specialized utensils, combs, and brushes; finger splints; wheelchair seating and equipment that is an integral part of the wheelchair and not worn by the patient; elastic abdominal supports that do not have metal or plastic reinforcing stays; nontherapeutic arch supports; nontherapeutic accommodative inlays and nontherapeutic accommodative footwear, regardless of method of manufacture; unmodified, over-the-counter nontherapeutic shoes; prefabricated nontherapeutic foot care products; durable medical equipment such as canes, crutches, or walkers; dental appliances; or devices implanted into the body by a physician. The term "accommodative" means designed with the primary goal of conforming to the individual's anatomy. The term "inlay" means any removable material upon which the foot directly rests inside the shoe and which may be an integral design component of the shoe. The term "musculoskeletal" and "neuromuscular" mean the systems of the body providing support and movement and include the skeletal, muscular, circulatory, nervous, and integumentary systems.

⁵³ Section 468.80(14), F.S., defines "prosthesis" as a medical device used to replace a missing appendage or other external body part, including an artificial limb, hand, or foot. It does not include surgically implanted devices or artificial eyes; dental appliances; ostomy products; or cosmetic devices such as breast prostheses, eyelashes, or wigs.

- A change in the physiological condition of the insured or subscriber.
- An irreparable change in the condition of the orthosis or prosthesis, or any part of the condition.
- A change in the condition of the orthosis or prosthesis, or any part of the condition, requires repairs that would cost more than 60 percent of the cost of a replacement orthosis or prosthesis or of the part requiring replacement.

Each section applies the mandated coverage to eligible individuals, who are defined in the same way as in the Medicaid portion of the bill, except that reference is made to being an insured or subscriber rather than a Medicaid recipient.

An insurer or HMO may require supporting documentation from an insured's or subscriber's provider to confirm the need for a replacement for an orthosis or a prosthesis that is less than three years old.

An insurer or HMO may not deny a claim as a medically necessary intervention to restore physical function for an insured or subscriber with a disability which would otherwise be covered for a nondisabled person seeking medical or surgical intervention to restore or maintain the ability to perform the same type of physical function affected.

Each insurer and HMO is required to submit an annual report beginning July 1, 2027, to the Office of Insurance Regulation detailing the total number of claims submitted for orthotics and prosthetics services in the previous plan year and the total number of such claims that were paid, including the amount paid.

Sections 1, 3, 4, and 5 provide that the bill may not be construed to require coverage of orthotics or prosthetics services for an insured who is not an eligible individual.

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 will have an indeterminate negative fiscal impact on the private sector. Insurers and health maintenance organizations (HMO) that do not already provide coverage for these services will experience an increase in costs. Any such increases will likely be passed on to individuals in the form of health insurance premium increases.

The bill will have a significant positive fiscal impact on eligible individuals for which equipment and services will no longer be an out-of-pocket expense.

C. Government Sector Impact:

The bill has a significant recurring negative impact on state expenditures.

While the requirements of the bill are similar to current Florida Medicaid coverage policies, there are two major differences.

The bill requires coverage for recipients 21 years and older with a developmental disability, who are not currently eligible for these specific orthotic and prosthetic services under the state plan. There are approximately 5,316 individuals in this category, and the estimated cost to add these services for that population is \$358,885 (\$158,349 GR).⁵⁴

The bill also requires coverage for all models of devices deemed most appropriate by the provider for daily living and job-related activities and for all materials and components necessary to use the devices. This will increase the number of specific items covered under the Florida Medicaid program and could result in significant cost increase depending on utilization: \$128,357 to \$5,458,920 (\$96,344 to \$2,408,612 GR) for a 1 percent to 25 percent increase to current expenditure levels.

Estimated Impact for Children ⁵⁵		
% Increase to Service Cost	Total Increase	General Revenue
Estimated Increase of 1% to Service Cost	\$93,397.65	\$41,209.38
Estimated Increase of 5% to Service Cost	\$466,988.25	206,046.89
Estimated Increase of 10% to Service Cost	\$933,976.51	\$412,093.78
Estimated Increase of 25% to Service Cost	\$2,334,941.26	\$1,030,234.46

⁵⁴ Agency for Healthcare Administration, *Committee Substitute for Senate Bill 1110 Legislative Analysis* (Feb. 19, 2026) (on file with the Senate Appropriations Committee on Health and Human Services).

⁵⁵ *Id.*

In Fiscal Year 2024-2025, the Florida Medicaid program expended \$31,171,568 (\$9,339,765 related to children and \$21,835,680 related to adults) for services related to orthotic and prosthetic. The AHCA estimates the overall impact of these two changes made by the bill to be between \$577,241 to \$5,817,805.⁵⁶

The bill will have no direct fiscal impact on the AHCA. The AHCA would experience a workload impact to seek federal approvals, amend its rules and managed care contracts, and update billing codes to cover any additional services not already included in the Florida Medicaid program. These actions are part of the AHCA's routine business practices and can be accomplished using existing resources.⁵⁷

The bill will have an indeterminate negative impact on the Division of State Group Insurance which may incur additional costs if contracted insurers and health maintenance organizations increase premiums related to additional coverage for devices and services for state employees.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Health coverage plan years generally correspond to the calendar year, thus revising the bill's effective date to January 1, 2027, would coincide with the beginning of a new plan year for most insurers and subscribers.

The Agency for Health Care Administration (AHCA) states that the eligibility criteria in the bill will exclude current Medicaid-eligible youth ages 19 and 20 unless they meet the criteria for one of the other eligibility groups.⁵⁸

VIII. Statutes Affected:

This bill substantially amends section 409.906 of the Florida Statutes.

This bill creates the following sections of the Florida Statutes: 627.64085, 627.6614, and 641.31079.

⁵⁶ Agency for Healthcare Administration, *Committee Substitute for Senate Bill 1110 Legislative Analysis* (Feb. 19, 2026) (on file with the Senate Appropriations Committee on Health and Human Services).

⁵⁷ *Id.*

⁵⁸ *Id.*

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

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

CS by Banking and Insurance on February 11, 2026:

The committee substitute specifies that the orthotics and prosthetics coverage provided in the bill applies only to eligible individuals. Each section that provides for orthotics and prosthetics coverage defines the term “eligible individual” and provides statutory construction to clarify that coverage is not required for an insured who is not an eligible individual.

B. Amendments:

None.

By the Committee on Banking and Insurance; and Senators Truenow and Smith

597-02756-26

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A bill to be entitled

An act relating to coverage for orthotics and prosthetics services; amending s. 409.906, F.S.; defining the term "eligible individual"; authorizing the Agency for Health Care Administration to authorize and pay for specified orthotics and prosthetics services for Medicaid recipients who are eligible individuals; providing construction; requiring the agency to seek federal approval and amend contracts as necessary to implement the act; creating ss. 627.64085, 627.6614, and 641.31079, F.S.; defining the term "eligible individual"; requiring individual health insurance policies; group, blanket, and franchise health insurance policies; and health maintenance contracts, respectively, to provide coverage for specified orthotics and prosthetics services for eligible individuals; authorizing health insurers and health maintenance organizations to require certain supporting documentation; prohibiting health insurers and health maintenance organizations from denying claims under certain circumstances; requiring health insurers and health maintenance organizations to submit annual reports of specified information to the Office of Insurance Regulation; providing construction; providing an effective date.

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

Section 1. Subsection (10) of section 409.906, Florida

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Statutes, is amended to read:

409.906 Optional Medicaid services.—Subject to specific appropriations, the agency may make payments for services which are optional to the state under Title XIX of the Social Security Act and are furnished by Medicaid providers to recipients who are determined to be eligible on the dates on which the services were provided. Any optional service that is provided shall be provided only when medically necessary and in accordance with state and federal law. Optional services rendered by providers in mobile units to Medicaid recipients may be restricted or prohibited by the agency. Nothing in this section shall be construed to prevent or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or making any other adjustments necessary to comply with the availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216. If necessary to safeguard the state's systems of providing services to elderly and disabled persons and subject to the notice and review provisions of s. 216.177, the Governor may direct the Agency for Health Care Administration to amend the Medicaid state plan to delete the optional Medicaid service known as "Intermediate Care Facilities for the Developmentally Disabled." Optional services may include:

(10) DURABLE MEDICAL EQUIPMENT.—

(a) The agency may authorize and pay for certain durable medical equipment and supplies provided to a Medicaid recipient as medically necessary.

(b)1. As used in this paragraph, the term "eligible individual" means a Medicaid recipient who is:

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59 a. A child younger than 18 years of age;
 60 b. A dependent child as specified in s. 627.6562;
 61 c. An individual 26 years of age or younger who remains
 62 covered under a parent's health insurance policy pursuant to s.
 63 627.6562; or
 64 d. An individual with a developmental disability as defined
 65 in s. 393.063.
 66 2. The agency may authorize and pay for all of the
 67 following orthotics and prosthetics services for eligible
 68 individuals:
 69 a. Orthoses and prostheses as those terms are defined in s.
 70 468.80. Coverage must include payment for:
 71 (I) The model of an orthosis or a prosthesis which is
 72 deemed by the eligible individual's provider to be the most
 73 appropriate to meet the medical needs of the eligible individual
 74 to perform activities of daily living and essential job-related
 75 activities; and
 76 (II) When medically necessary, an orthosis or a prosthesis
 77 designed for physical or recreational activities that maximize
 78 the eligible individual's full body health and lower and upper
 79 limb function.
 80 b. All materials and components necessary to use the
 81 orthosis or prosthesis.
 82 c. Instruction on the use of the orthosis or prosthesis.
 83 d. Any necessary repairs or replacement of the orthosis or
 84 prosthesis.
 85 3. This paragraph may not be construed to require Medicaid
 86 coverage of orthotics and prosthetics services specified herein
 87 for a Medicaid recipient who is not an eligible individual.

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88 Section 2. The Agency for Health Care Administration shall
 89 seek federal approval and amend contracts as necessary to
 90 implement the changes made to s. 409.906, Florida Statutes, by
 91 this act.
 92 Section 3. Section 627.64085, Florida Statutes, is created
 93 to read:
 94 627.64085 Orthotics and prosthetics services.—
 95 (1) As used in this section, the term "eligible individual"
 96 means an insured who is:
 97 a. A child younger than 18 years of age;
 98 b. A dependent child as specified in s. 627.6562;
 99 c. An individual 26 years of age or younger who remains
 100 covered under a parent's health insurance policy pursuant to s.
 101 627.6562; or
 102 d. An individual with a developmental disability as defined
 103 in s. 393.063.
 104 (2) A health insurance policy issued, amended, delivered,
 105 or renewed in this state on or after July 1, 2026, must provide
 106 coverage of all of the following for eligible individuals:
 107 (a) Orthoses and prostheses as those terms are defined in
 108 s. 468.80 if the eligible individual's provider determines that
 109 an orthosis or a prosthesis is medically necessary for the
 110 eligible individual to perform activities of daily living,
 111 essential job-related activities, and physical recreational
 112 activities, such as running, biking, swimming, strength
 113 training, and other activities that maximize the eligible
 114 individual's full body health and lower and upper limb function.
 115 (b) Any replacement of the orthosis or prosthesis, or part
 116 thereof, without regard to continuous use or useful lifetime

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restrictions, if the eligible individual's provider determines that it is medically necessary due to any of the following:

1. A change in the physiological condition of the eligible individual.

2. An irreparable change in the condition of the orthosis or prosthesis, or part thereof.

3. A change in the condition of the orthosis or prosthesis, or part thereof, requires repairs that would cost more than 60 percent of the cost of a replacement orthosis or prosthesis or of the part thereof requiring replacement.

A health insurer may require supporting documentation from an eligible individual's provider to confirm the need for a replacement for an orthosis or a prosthesis that is less than 3 years old.

(3) A health insurer may not deny a claim for an orthosis or a prosthesis as a medically necessary intervention to restore physical function for an eligible individual with a disability which would otherwise be covered for a nondisabled person seeking medical or surgical intervention to restore or maintain the ability to perform the same type of physical function affected.

(4) Beginning July 1, 2027, and annually thereafter, each health insurer subject to this section shall submit a report to the Office of Insurance Regulation detailing the total number of claims submitted for orthotics and prosthetics services in the previous plan year and the total number of such claims that were paid, including the amount paid.

(5) This section may not be construed to require coverage

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of orthotics or prosthetics services for an insured who is not an eligible individual.

Section 4. Section 627.6614, Florida Statutes, is created to read:

627.6614 Orthotics and prosthetics services.—

(1) As used in this section, the term "eligible individual" means an insured who is:

a. A child younger than 18 years of age;

b. A dependent child as specified in s. 627.6562;

c. An individual 26 years of age or younger who remains covered under a parent's health insurance policy pursuant to s. 627.6562; or

d. An individual with a developmental disability as defined in s. 393.063.

(2) A group, blanket, or franchise health insurance policy issued, amended, delivered, or renewed in this state on or after July 1, 2026, must provide coverage of all of the following for eligible individuals:

(a) Orthoses and prostheses as those terms are defined in s. 468.80 if the eligible individual's provider determines that an orthosis or a prosthesis is medically necessary for the eligible individual to perform activities of daily living, essential job-related activities, and physical recreational activities, such as running, biking, swimming, strength training, and other activities that maximize the eligible individual's full body health and lower and upper limb function.

(b) Any replacement of the orthosis or prosthesis, or part thereof, without regard to continuous use or useful lifetime restrictions, if the eligible individual's provider determines

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that it is medically necessary due to any of the following:

1. A change in the physiological condition of the eligible individual.

2. An irreparable change in the condition of the orthosis or prosthesis, or part thereof.

3. A change in the condition of the orthosis or prosthesis, or part thereof, requires repairs that would cost more than 60 percent of the cost of a replacement orthosis or prosthesis or of the part thereof requiring replacement.

A health insurer may require supporting documentation from an eligible individual's provider to confirm the need for a replacement for an orthosis or a prosthesis that is less than 3 years old.

(3) A health insurer may not deny a claim for an orthosis or a prosthesis as a medically necessary intervention to restore physical function for an eligible individual with a disability which would otherwise be covered for a nondisabled person seeking medical or surgical intervention to restore or maintain the ability to perform the same type of physical function affected.

(4) Beginning July 1, 2027, and annually thereafter, each health insurer subject to this section shall submit a report to the Office of Insurance Regulation detailing the total number of claims submitted for orthotics and prosthetics services in the previous plan year and the total number of such claims that were paid, including the amount paid.

(5) This section may not be construed to require coverage of orthotics or prosthetics services for an insured who is not

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an eligible individual.

Section 5. Section 641.31079, Florida Statutes, is created to read:

641.31079 Orthotics and prosthetics services.—

(1) As used in this section, the term "eligible individual" means a subscriber who is:

a. A child younger than 18 years of age;

b. A dependent child as specified in s. 627.6562;

c. An individual 26 years of age or younger who remains covered under a parent's health insurance policy pursuant to s. 627.6562; or

d. An individual with a developmental disability as defined in s. 393.063.

(2) A health maintenance contract issued, amended, delivered, or renewed in this state on or after July 1, 2026, must provide coverage of all of the following for eligible individuals:

(a) Orthoses and prostheses as those terms are defined in s. 468.80 if the eligible individual's provider determines that an orthosis or a prosthesis is medically necessary for the eligible individual to perform activities of daily living, essential job-related activities, and physical recreational activities, such as running, biking, swimming, strength training, and other activities that maximize the eligible individual's full body health and lower and upper limb function.

(b) Any replacement of the orthosis or prosthesis, or part thereof, without regard to continuous use or useful lifetime restrictions, if the subscriber's provider determines that it is medically necessary due to any of the following:

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233 1. A change in the physiological condition of the eligible
 234 individual.
 235 2. An irreparable change in the condition of the orthosis
 236 or prosthesis, or part thereof.
 237 3. A change in the condition of the orthosis or prosthesis,
 238 or part thereof, requires repairs that would cost more than 60
 239 percent of the cost of a replacement orthosis or prosthesis or
 240 of the part thereof requiring replacement.
 241
 242 A health maintenance organization may require supporting
 243 documentation from an eligible individual's provider to confirm
 244 the need for a replacement for an orthosis or a prosthesis that
 245 is less than 3 years old.
 246 (3) A health maintenance organization may not deny a claim
 247 for an orthosis or a prosthesis as a medically necessary
 248 intervention to restore physical function for an eligible
 249 individual with a disability which would otherwise be covered
 250 for a nondisabled person seeking medical or surgical
 251 intervention to restore or maintain the ability to perform the
 252 same type of physical function affected.
 253 (4) Beginning July 1, 2027, and annually thereafter, each
 254 health maintenance organization subject to this section shall
 255 submit a report to the Office of Insurance Regulation detailing
 256 the total number of claims submitted for orthotics and
 257 prosthetics services in the previous plan year and the total
 258 number of such claims that were paid, including the amount paid.
 259 (5) This section may not be construed to require coverage
 260 of orthotics or prosthetics services for a subscriber who is not
 261 an eligible individual.

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262 Section 6. This act shall take effect July 1, 2026.

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THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Agriculture, *Chair*
Military and Veterans Affairs, Space, and Domestic
Security, Vice Chair
Appropriations Committee on Agriculture, Environment,
and General Government
Appropriations Committee on Transportation,
Tourism, and Economic Development
Banking and Insurance
Fiscal Policy
Joint Legislative Auditing Committee
Transportation

SENATOR KEITH TRUENOW

13th District

February 25, 2026

The Honorable Senator Ed Hooper
202 Senate Office Building
Tallahassee, FL 32399

Dear Chairman, Hooper,

I would like to request CS/SB 1110 Coverage for Orthotics and Prosthetics Services be placed on your next available Appropriations Committee Meeting agenda.

This bill expands health coverage requirements by mandating that Medicaid and private health insurance plans provide coverage for specified orthotic and prosthetic services. Coverage includes medically necessary devices, fittings, instruction, repairs, and replacements, aiming to improve access to mobility and support devices for eligible Floridians.

I appreciate your favorable consideration.

Sincerely,

A handwritten signature in blue ink that reads "Keith Truenow".

Senator Keith Truenow
Senate District 13

KT/dd

cc: Tim Sadberry, Staff Director
Alicia Kalista, Administrative Assistant

REPLY TO:

- ☐ Lake County Agricultural Center, 1951 Woodlea Road, Tavares, Florida 32778 (352) 750-3133
- ☐ 16207 State Road 50, Suite 401, Clermont, Florida 34711
- ☐ 306 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5013

Senate's Website: www.flsenate.gov

BEN ALBRITTON
President of the Senate

JASON BRODEUR
President Pro Tempore

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
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3/2/2024

Meeting Date

Appropriations

Committee

SB1110

Bill Number or Topic

Amendment Barcode (if applicable)

Name Melissa Meadows

Phone 352-222-1539

Address 1311 NW 51st Ter

Street

Email melissa.garcia.meadows@gmail.com

Gainesville

City

FL

State

32605

Zip

Speaking:

☒ For

☐ Against

☐ Information

OR

Waive Speaking:

☐ In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☒

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

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

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S-001 (08/10/2021)

The Florida Senate

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3/2/2022

Meeting Date

SB1110

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Ansel meadows-Rader

Phone

352-222-1539

Address

1311 NW 81st Ter

Street

Email

melissa.grace.meadows@gmail.com

Gainesville

City

FL

State

32605

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.),
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S-001 (08/10/2021)

The Florida Senate
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3/2/26
Meeting Date
Appropriations
Committee

5B1110
Bill Number or Topic

Amendment Barcode (if applicable)

Name Tobias King Phone 850 284 5112

Address 3157 Shamrock St E Email tabymackin@gmail.com
Street

Tallahassee FL 32309
City State Zip

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

PLEASE CHECK ONE OF THE FOLLOWING:

- ☒ I am appearing without compensation or sponsorship.
- ☐ I am a registered lobbyist, representing:
- ☐ I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

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

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S-001 (08/10/2021)

The Florida Senate

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2 MAR 2026

Meeting Date

ARR

Committee

SB 1110

Bill Number or Topic

Amendment Barcode (if applicable)

Name Peter Quintanilla

Phone 813-579-8848

Address 3202 W WALLCRAFT AVE
Street

Email pquintanilla@ufl.edu

Tampa
City

FL
State

33611
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:

International Institute of Orthotics & Prosthetics

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

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S-001 (08/10/2021)

The Florida Senate

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3/2/26

Meeting Date

SB1110

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name Keegan Allison

Phone 850-544-3688

Address 454 San Martin Dr.

Street

Email keeganmallison@gmail.com

Tallahassee FL

City

State

32312

Zip

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

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

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

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1178

INTRODUCER: Appropriations Committee, Ethics and Elections Committee, and Senator Grall and others

SUBJECT: Foreign Influence

DATE: March 4, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Biehl</u>	<u>Roberts</u>	<u>EE</u>	<u>Fav/CS</u>
2.	<u>Davis</u>	<u>Cibula</u>	<u>JU</u>	<u>Favorable</u>
3.	<u>Griffin</u>	<u>Sadberry</u>	<u>AP</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1178 creates a “Foreign Interference Restriction and Enforcement Act,” which amends and establishes numerous statutory provisions to reduce interference and influence by foreign countries of concern. Specifically, the bill:

- Expands the definition of “foreign source of concern” to also include a designated foreign terrorist organization or an agent acting on behalf of such organization.
- Requires lobbyists who represent a foreign country of concern or related entity to disclose such in their registrations.
- Imposes citizenship, lawful immigration status, and state residency requirements on parties entering into surrogacy agreements.
- Expands restrictions on gifts to specified public officials, public employees, and candidates, and requires ethics training for specified public officials to include information on foreign countries of concern and their influence.
- Strengthens prohibitions on government contracting and procurement with vendors connected to foreign countries of concern.
- Prohibits the state protocol officer from encouraging a sister city or sister state affiliation with a foreign country of concern or its subdivision.
- Requires the Department of State to quarterly publish on its website specified information on all foreign consulate offices in Florida and all sister city and sister state affiliations.
- Revises provisions governing Florida linkage institutes to remove the Florida-China Institute from the list of authorized institutes, repeal the limited exemption for in-state residency

tuition requirements, and prohibit a linkage institute from entering into an agreement or participate in activities with a foreign country of concern or any organization in such country.

- Expands a provision prohibiting specified state agencies or political subdivisions from entering an agreement or accepting a grant from a foreign country of concern under specified circumstances to instead make it a blanket prohibition against such agreements or grants.
- Creates a new section of law governing the protection of state critical infrastructure facilities.
- Reclassifies criminal offenses committed for the purpose of benefiting, promoting, or furthering the interests of a foreign government, a designated foreign terrorist organization, or an agent of such government or organization.
- Criminalizes the unauthorized enforcement of foreign law.
- Revises references to definitions of “foreign country of concern.”

Several provisions of the bill have varying negative fiscal impacts. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

Influence Operations by Foreign Countries of Concern

National intelligence agencies and civilian interest groups have issued reports in recent years describing the ongoing efforts of hostile foreign governments to influence policy in the United States. These foreign governments have attempted to influence federal, state, and local government policy as well as directly attack the infrastructure of the United States. Some examples include, but are not limited to:

- Manipulation by the People’s Republic of China (PRC) of relationships with government and business leaders at the state and local levels to expand support for PRC policies and to pressure the federal government for policies favorable to the PRC’s geopolitical interests.¹
- Exploitation by the Chinese Communist Party of U.S. university partnerships to advance China’s civilian repression and military goals.²
- Attempts by Russia, China, Iran, and North Korea, both individually and collectively, to challenge U.S. interests abroad by attacking and threatening other countries in their regions to create opportunities to advance their interests.³

Current Statutes

For statutory law relating to the bill’s provisions, see “Effect of Proposed Changes.”

¹ The National Intelligence and Security Center, *Safeguarding Our Future: Protecting Government and Business Leaders at the U.S. State and Local Level from People’s Republic of China Influence Operations*, (July 2022), https://www.dni.gov/files/NCSC/documents/SafeguardingOurFuture/PRC_Subnational_Influence-06-July-2022.pdf (last visited Jan. 31, 2026).

² The Select Committee on the Chinese Communist Party, *Joint Institutes, Divided Loyalties: How the Chinese Communist Party Exploits U.S. Partnerships to Empower China’s Military and Repression*, (Sept. 2025), <https://chinaselectcommittee.house.gov/media/reports/joint-institutes-divided-loyalties> (last visited Jan. 31, 2026).

³ Office of the Director of National Intelligence, *Annual Threat Assessment of the U.S. Intelligence Community* (March 2025), <https://www.dni.gov/files/ODNI/documents/assessments/ATA-2025-Unclassified-Report.pdf> (last visited Jan. 31, 2026).

III. Effect of Proposed Changes:

Statutory Definitions related to Foreign Countries of Concern (Sections 15 and 16)

Foreign Country of Concern

Current law provides a number of definitions for “foreign country of concern.” Definitions related to this bill, which are largely identical, include:

- For restrictions on government contracting (s. 287.138, F.S.) – “The People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, or the Syrian Arab Republic, including any agency of or any other entity *of* significant control of such foreign country of concern [emphasis added].”
- For restrictions on conveyances of land to foreign entities (s. 692.201, F.S.) – a definition identical to that in s. 287.138, F.S.
- For international cultural agreements (s. 288.860, F.S.) – “The People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, or the Syrian Arab Republic, including any agency of or any other entity *under* significant control of such foreign country of concern [emphasis added].”
- For foreign gifts to and contracts of state agencies and political subdivisions (s. 286.101, F.S.) – a definition identical to that in s. 288.860, F.S.

Additional definitions include:

- For prohibited use of internet applications from foreign countries of concern (s. 112.22, F.S.) – a definition identical to that in s. 288.860, F.S.
- For laboratory services provided by the Department of Health (s. 381.0202, F.S.) – “The People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, or the Syrian Arab Republic, including any agency of such foreign country of concern.”
- For a restriction on persons or entities with controlling interests in specified health care facilities (s. 408.810, F.S.) – a definition identical to that in s. 381.0202, F.S.

Foreign Source of Concern

Section 496.404(14), F.S., which is located in the chapter of law governing solicitation of funds from the public, defines “foreign source of concern” to mean any of the following:

- The government or any official of the government of a foreign country of concern;
- A political party or member of a political party or any subdivision of a political party in a foreign country of concern;
- A partnership, an association, a corporation, an organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity;
- Any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent citizen of the United States;
- An agent, including a subsidiary or an affiliate of a foreign legal entity, acting on behalf of a foreign source of concern; or

- An entity in which a person, entity, or collection of persons or entities described above has a controlling interest.

“Controlling interest” means the possession of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of securities, by contract, or otherwise. A person or an entity that directly or indirectly has the right to vote 25 percent or more of the voting interest of the company or is entitled to 25 percent or more of its profits is presumed to possess a controlling interest.⁴

“Foreign country of concern” has the same meaning as in s. 286.101, F.S.⁵

Foreign Agent

The criminal penalty for theft of or trafficking in trade secrets defines “foreign agent” to mean any officer, employee, proxy, servant, delegate, or representative of a foreign government.⁶

Designated Foreign Terrorist Organization

The criminal penalty for use of military-type military training from a designated foreign terrorist organization with the intent to unlawfully harm another person or damage a critical infrastructure facility defines “designated foreign terrorist organization” to mean an organization designated as a terrorist organization under s. 219 of the Immigration and Nationality Act.⁷ The U.S. Department of State currently lists 93 designated foreign terrorist organizations.⁸

Effect of Proposed Changes

The bill revises the definition of “foreign source of concern” in s. 496.404(14), F.S., to add that the term includes a designated foreign terrorist organization or an agent acting on behalf of a foreign terrorist organization. The effect of the expanded definition in that chapter is to subject a person to criminal penalties for soliciting or accepting contributions or anything of value from a designated foreign terrorist organization or an agent for such an organization for the benefit of charitable organization.

The bill revises the definition of “foreign country of concern” in s. 692.201, F.S., to clarify that the term includes any entity *under* significant control of such country, not *of* significant control.

Registration Requirements and Restrictions on Foreign Influence in Politics (Sections 2, 6, and 7)

Present Situation

Federal Law

Enacted in 1938, the Foreign Agents Registration Act (FARA) was created to expose foreign influence in American politics. The Act focused on identifying and creating a public record of

⁴ Section 496.404(14)(f), F.S.

⁵ Section 496.404(13), F.S.

⁶ Section 812.081, F.S.

⁷ Section 775.32(1)(b), F.S.

⁸ See “Foreign Terrorist Organizations,” <https://www.state.gov/foreign-terrorist-organizations> (last visited Jan. 31, 2026).

efforts to spread propaganda and foreign agendas.⁹ The FARA has been revised to better respond to the evolving nature of foreign entities in the United States. These changes have reoriented the law away from focusing on propaganda activities to focusing on foreign advocacy and lobbying.¹⁰ Recent enforcement of the FARA has focused on “instances of alleged conduct similar to more traditional espionage by foreign government actors.”¹¹

The FARA requires certain persons, referred to as “agents of a foreign principal,”¹² to register with the Department of Justice (DOJ) and disclose their relationships, activities, receipts, and disbursements in support of their advocacy or public relations activities, when representing foreign entities, known as “foreign principals,”¹³ within the United States.

In addition, the FARA requires firms or other entities that are agents of a foreign principal to also register.¹⁴ The entities’ officers or directors are under obligation to ensure the agent of a foreign

⁹ 22 U.S.C. §§ 611, 621; See Jacob R. Straus, *Foreign Agents Registration Act (FARA): Background and Issues for Congress*, Congressional Research Service (June 30, 2020) available at <https://www.congress.gov/crs-product/R46435>; See *Vierick v. United States*, 318 U.S. 236, 241 (1943); See also, U.S. Congress, House Committee on the Judiciary, *Lobbying Disclosure Act of 1995*, report to accompany H.R. 2564, 104th Cong., 1st sess., November 14, 1995, H.Rept.104-339, part 1 (Washington: GPO, 1995), pp. 5-8 (FARA responded to foreign influence concerns by creating a system designed “to identify agents of foreign principals who might engage in subversive acts or in spreading foreign propaganda and to require them to make a public record of the nature of their employment.”).

¹⁰ *Id.* (FARA was amended in 1942, 1966, and 1995.)

¹¹ See U.S. Attorney General Pam Bondi, *General Policy Regarding Charging, Plea Negotiations, and Sentencing*, a memorandum from Attorney General Pamela Bondi to all Department of Justice Employees (Feb. 5 2025) available at <https://www.justice.gov/ag/media/1388541/dl> (last visited January 31, 2026).

¹² 22 U.S.C. §611(c) (“Except as provided under §611(d), the term ‘agent of a foreign principal’ means- (1) any person who acts as an agent, representative, employee, or servant, or any person who acts in any other capacity at the order, request, or under the direction or control, of a foreign principal or of a person any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign principal, and who directly or through any other person- (i) engages within the United States in political activities for or in the interests of such foreign principal; (ii) acts within the United States as a public relations counsel, publicity agent, information-service employee or political consultant for or in the interests of such foreign principal; (iii) within the United States solicits, collects, disburses, or dispenses contributions, loans, money, or other things of value for or in the interest of such foreign principal; or (iv) within the United States represents the interests of such foreign principal before any agency or official of the Government of the United States; and (2) any person who agrees, consents, assumes or purports to act as, or who is or holds himself out to be, whether or not pursuant to contractual relationship, an agent of a foreign principal as defined in clause (1) of this subsection.”); But see 22 U.S.C. §611(d) (Section (d) provides that, “(d) The term ‘agent of a foreign principal’ does not include any news or press service or association organized under the laws of the United States or of any State or other place subject to the jurisdiction of the United States, or any newspaper, magazine, periodical, or other publication for which there is on file with the United States Postal Service information in compliance with section 3611 of title 39, published in the United States, solely by virtue of any bona fide news or journalistic activities, including the solicitation or acceptance of advertisements, subscriptions, or other compensation therefor, so long as it is at least 80 per centum beneficially owned by, and its officers and directors, if any, are citizens of the United States, and such news or press service or association, newspaper, magazine, periodical, or other publication, is not owned, directed, supervised, controlled, subsidized, or financed, and none of its policies are determined by any foreign principal defined in subsection (b) of this section, or by any agent of a foreign principal required to register under this subchapter.”).

¹³ 22 U.S.C. §611(b) (“The term ‘foreign principal’ includes - (1) a government of a foreign country and a foreign political party; (2) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.”).

¹⁴ 22 U.S.C. §617.

principal is registered and are potentially liable and could face prosecution for failed compliance.¹⁵

Violators of the FARA face potential fines or imprisonment.¹⁶ The Attorney General may establish regulations to implement the law.¹⁷ Further, every 6 months, the Attorney General must submit a report to Congress on the administration of the FARA.¹⁸

Federal law, under the Federal Elections Campaign Act (FECA)¹⁹ as amended, prohibits foreign nationals,²⁰ in connection with any federal, state, or local election, from making, either directly or indirectly:

- Contributions;
- Donations;
- Expenditures (including independent expenditures); or
- Disbursements solicited, directed, received or made directly or indirectly from a foreign national.²¹

This prohibition includes advances of personal funds; contributions or donations made to political party committees and organizations, state or local party committees for the purchase or construction of an office building;²² and contributions or disbursements to make electioneering communications.²³ Foreign nationals are also prohibited from directly or indirectly donating to

¹⁵ *Id.*

¹⁶ 22 U.S.C. §618(a) (Any person who willfully violates the law or willfully makes false statements in registration or supplemental statements upon conviction may “be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.”); *See also* 22 U.S.C. §618(a) (Violating provisions of the filing and labeling requirements for political propaganda, failing to correct deficient registration statements, or having a contingent fee arrangement with a foreign principal carry potential penalties of up to a \$5,000 fine or six months in prison.).

¹⁷ The regulations for FARA are located at 28 C.F.R. §§5.1-5.1101.; *But see Justice Department Proposes New Regulations to Modernize Foreign Agents Registration Act Administration and Enforcement*, U.S. Department of Justice Website Press Release (Friday, December 20, 2024), available at <https://www.justice.gov/archives/opa/pr/justice-department-proposes-new-regulations-modernize-foreign-agents-registration-act> (FARA’s implementing regulations have not been updated since 2007. The DOJ recently announced a proposed rule that would alter key exemptions that companies and individuals most frequently rely on, including (1) the “commercial” exemption, (2) the exemption for persons whose activities do not predominantly serve a foreign interest, and (3) the exemption for persons qualified to practice law. The proposed rule also adds several new requirements for handling “informational materials,” including by requiring foreign agents to more frequently and conspicuously disclose their agency status (such as on websites, broadcasts, and social media), even when performing acts such as scheduling meetings with members of Congress or other U.S. officials. The practical effect of the proposed changes will be to limit the number of individuals who could claim the exemptions.).

¹⁸ 22 U.S.C. §621.

¹⁹ 52 U.S.C. §30121.

²⁰ *See* 11 CFR 110.20(a)(3) (A “foreign national” is: “1. An individual who is not a citizen of the United States or a national of the United States and has not been lawfully admitted to the U.S. for permanent residence, as defined in 8 U.S.C. §1101(a)(20); or 2. A foreign principal, as defined in 22 U.S.C. §611(b).”).

²¹ 52 U.S.C. s. 30121(a) and Federal Election Commission, *Foreign Nationals*, <https://www.fec.gov/help-candidates-and-committees/foreign-nationals/> (last visited Jan. 31, 2026) (FECA defines an “election” to encompass not only general, special, primary, and runoff elections but also conventions or caucuses of political parties that have the authority to nominate candidates.).

²² *See* 11 CFR 300.35 and 52 U.S.C. 30121.

²³ *Id.*

an inaugural committee, and it is a violation of federal law to knowingly accept such donations from a foreign national.²⁴

Florida Law

Florida law prohibits foreign nationals²⁵ from directly or indirectly making, or offering to make, a contribution or expenditure in connection with any election held in the state.²⁶ The prohibition applies to both candidate and ballot question campaigns.²⁷

Any state agency or political subdivision that receives, directly or indirectly, any gift or grant having a value of \$50,000 or more from any foreign source must disclose the gift or grant to the Department of Financial Services within 30 days.²⁸ The disclosure must include the date and amount of the gift or grant and the name and country of residence or domicile of the foreign source.²⁹

Current law also specifies restrictions on governmental entity agreements with foreign countries of concern. (See additional information later in this analysis under “International Cultural Agreements.”)

Persons who lobby the Legislature,³⁰ the executive branch or the Constitution Revision Commission (CRC),³¹ or a water management district³² must register with the entity that is

²⁴ *Id.*

²⁵ See s. 106.08(12)(a)1, F.S. (“the term ‘foreign national’ means: a. A foreign government; b. A foreign political party; c. A foreign corporation, partnership, association, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; d. A person with foreign citizenship; or e. A person who is not a citizen or national of the United States and is not lawfully admitted to the United States for permanent residence. 2. The term does not include: a. A person who is a dual citizen or dual national of the United States and a foreign country. b. A domestic subsidiary of a foreign corporation, partnership, association, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country if:

(I) The donations and disbursements used toward a contribution, or an expenditure are derived entirely from funds generated by the subsidiary’s operations in the United States; and (II) All decisions concerning donations and disbursements used toward a contribution or an expenditure are made by individuals who either hold United States citizenship or are permanent residents of the United States. For purposes of this sub-sub-subparagraph, decisions concerning donations and disbursements do not include decisions regarding the subsidiary’s overall budget for contributions or expenditures in connection with an election.”

²⁶ Section 106.08(12)(b), F.S.

²⁷ *Id.*

²⁸ Section 286.101(2), F.S.

²⁹ *Id.*

³⁰ In regard to the Legislature, “lobbying” means influencing or attempting to influence legislative action or nonaction through oral or written communication or an attempt to obtain the goodwill of a member or employee of the Legislature (s. 11.045(1)(e), F.S.

³¹ In regard to the executive branch or the CRC, “lobbies” means seeking, on behalf of another person, to influence an agency with respect to a decision of the agency in the area of policy or procurement or an attempt to obtain the goodwill of an agency official or employee. “Lobbies” also means influencing or attempting to influence, on behalf of another, the CRC’s action or nonaction through oral or written communication or an attempt to gain the goodwill of a member or employee of the CRC. Section 112.3215(1)(f), F.S.

³² In regard to water management districts, “lobbies” means seeking, on behalf of another person, to influence a district with respect to a decision of the district in an area of policy or procurement or an attempt to obtain the goodwill of a district official or employee (s. 112.3261(1)(b), F.S.).

lobbied and provide specified information regarding each principal³³ represented. Details of statutory requirements for lobbyist registrations are provided in the table below.

Legislature³⁴	Executive Branch or CRC³⁵	Water Management District³⁶
Registration is required for each principal represented. Registration must include a statement signed by the principal authorizing the registrant to represent the principal. Every registrant must state the extent of any direct business association or partnership with any current member of the Legislature.	Each lobbyist must disclose: • Name and business address. • Name and business address of each principal represented. • His or her area of interest. • Agencies before which he or she will appear. • The existence of any direct or indirect business association, partnership, or financial relationship with any employee of an agency with which he or she lobbies, or intends to lobby, as disclosed in the registration.	Each lobbyist must disclose: • Name and business address. • Name and business address of each principal represented. • The existence of any direct or indirect business association, partnership, or financial relationship with any employee of an agency with which he or she lobbies, or intends to lobby, as disclosed in the registration.

Effect of Proposed Changes

This bill expands existing lobbyist disclosure requirements to require each lobbyist before the Legislature, the executive branch or CRC, or a water management district to disclose whether each principal represented is:

- A foreign country of concern; or
- A domestic partnership, an association, a corporation, an organization, or any other business entity that is at least 25 percent beneficially owned by a foreign country of concern, a nonresident alien from a foreign country of concern, or an entity organized under the laws of or having its principal place of business in a foreign country of concern.

“Foreign country of concern” has the same meaning as in s. 286.101(1), F.S.

³³ “Principal” means the person, firm, corporation, or other entity which has employed or retained a lobbyist (*see ss. 11.045(1)(i), 112.3215(1)(i), and 112.3261(1)(d), F.S.*).

³⁴ *See s. 11.045(2), F.S.*

³⁵ *See s. 112.3215(3), F.S.*

³⁶ *See s. 112.3261(2), F.S.*

Surrogacy Arrangements (Sections 3 and 18)

Present Situation

Growth of the Commercial Surrogacy Industry

The United States has become a significant destination for international intended parents seeking surrogacy services. Industry observers attribute this trend to enforceable contractual parentage mechanisms and the ability of children born in the U.S. to obtain citizenship under the Fourteenth Amendment.

Recent national reporting has drawn attention to the use of U.S. surrogacy services by wealthy foreign nationals seeking to create large numbers of U.S.-born children.³⁷ The 2025 investigation reported that a Chinese technology entrepreneur allegedly fathered more than 100 children through surrogacy arrangements conducted in the U.S. Additional scrutiny followed a widely reported investigation into a Chinese National couple residing in California who were connected to a surrogacy agency that recruited gestational surrogates across multiple states.³⁸ According to the investigative reporting, surrogates were recruited by an agency that was operated by the intended parents themselves, who simultaneously arranged numerous pregnancies to rapidly expand their family.

These media accounts raise questions about the scale and purpose of commercial surrogacy practices, which is banned or highly restricted in many countries, including India, China, and most of Western Europe over concerns it commodifies impoverished women.³⁹ These accounts also raise policy questions around:

- Reproductive tourism;
- Citizenship incentives;
- Contractual enforceability across jurisdictions; and
- Child welfare oversight when large numbers of children are born through coordinated surrogacy efforts.

Florida Law

Current law recognizes two primary statutory surrogacy frameworks: preplanned adoption agreements⁴⁰ and gestational surrogacy contracts.⁴¹ Their respective statutory provisions govern distinct legal pathways to establish parental rights when a child is conceived through assisted reproductive technology.

³⁷ Katherine Long, Ben Foldy, & Lingling Wei, *The Chinese Billionaires Having Dozens of U.S.-Born Babies Via Surrogate*, The Wall Street Journal, Dec. 13, 2025, <https://www.wsj.com/us-news/chinese-billionaires-surrogacy-pregnancy-7fd0c3?msockid=39c1ee2378e362ed37a0f865792763ab> (last visited Mar. 3, 2026); and Micah McCartney, *Who Is Xu Bo? Chinese Billionaire Allegedly Has Over 100 US-Born Babies*, Newsweek, Dec. 16, 2025, <https://www.newsweek.com/xu-bo-chinese-billionaire-100-us-born-babies-11217861> (last visited Mar. 3, 2026).

³⁸ Ava Kofman, *The Babies Kept in a Mysterious Los Angeles Mansion*, The New Yorker, Feb. 9, 2026, <https://www.newyorker.com/magazine/2026/02/16/the-babies-kept-in-a-mysterious-los-angeles-mansion> (last visited Mar. 3, 2026).

³⁹ *Supra*, notes 4 and 5.

⁴⁰ Section 63.213, F.S.

⁴¹ Section 742.15, F.S.

The Florida Adoption Act, Chapter 63, F.S., governs adoption procedures, termination of parental rights, and placement of minors for adoption. Under a preplanned adoption agreement, a volunteer mother (i.e., the surrogate) agrees to become pregnant using assisted reproductive technology and relinquish parental rights after birth in favor of the intended parents.⁴² As constructed, the statute contemplates that the volunteer mother may or may not be genetically related to the child. Preplanned adoption agreements must contain specified contractual provisions, including:

- Agreement to pregnancy through a specified fertility technique;⁴³
- Consent to reasonable medical treatment and prenatal care;⁴⁴
- Allocation of parental responsibility if the agreement fails;⁴⁵
- Financial responsibility for pregnancy-related expenses;⁴⁶
- Immediate acceptance of custody by intended parents;⁴⁷ and
- Termination rights that may be exercised by any party.⁴⁸

Chapter 742, F.S., regulates gestational surrogacy contracts which governs determinations of parentage in those instances. Gestational surrogacy contracts differ from preplanned adoption agreements in that the surrogate is never genetically related to the child. Current law requires the following:

- A written contract between the commissioning couple and gestational surrogate;⁴⁹
- The commissioning couple (i.e., the intended parents) to be legally married adults;⁵⁰
- Medical necessity preventing the commissioning mother from safely carrying a pregnancy;⁵¹
- Advance agreement regarding parental rights and responsibilities.⁵²
- Allocation of parental responsibility if the agreement fails;⁵³ and
- Financial responsibility for pregnancy-related expenses.⁵⁴

In both preplanned adoption agreements and gestational surrogacy contracts, Florida courts must ultimately approve the adoption or affirm the parental rights of the intended parents.⁵⁵ However, in neither instance does current law require U.S. citizenship, lawful permanent residency, or Florida domicile of the intended parents or surrogate mother.

Effect of Proposed Changes

The bill prohibits a preplanned adoption agreement unless:

⁴² Section 63.213(2)(a), F.S.

⁴³ *Id.* “Fertility technique” means artificial embryonation, artificial insemination, whether in vivo or in vitro, egg donation, or embryo adoption. *See* s. 63.213(6)(c), F.S.

⁴⁴ Section 63.213(2)(b), F.S.

⁴⁵ Section 63.213(2)(c)-(e), F.S.

⁴⁶ Section 63.213(2)(f), F.S.

⁴⁷ Section 63.213(2)(g), F.S.

⁴⁸ Section 63.213(2)(i), F.S.

⁴⁹ Section 742.15(1), F.S.

⁵⁰ *Id.*

⁵¹ Section 742.15(2), F.S.

⁵² Section 742.15(3)(a)-(d), F.S.

⁵³ Section 742.15(3)(e), F.S.

⁵⁴ Section 742.15(4), F.S.

⁵⁵ Sections 63.213(1)(a), and 742.16, F.S.

- The volunteer mother is a U.S. citizen or lawful permanent resident;
- Each intended parent is a U.S. citizen or lawful permanent resident; and
- At least one intended parent is domiciled in Florida.

The bill prohibits a gestational surrogacy contract unless:

- The surrogate is a U.S. citizen or lawful permanent resident; and
- The commissioning couple:
 - Are domiciled in Florida; and
 - Are U.S. citizens or lawful permanent residents.

Ethics Requirements for Public Officials and Employees (Sections 4 and 5)

Present Situation

Commission on Ethics

The Commission on Ethics (Commission) was created by the Legislature in 1974 “to serve as guardian of the standards of conduct” for state and local public officials and employees.⁵⁶ The Florida Constitution and state law designate the Commission as the independent commission provided for in s. 8(g), Art. II of the Florida Constitution.⁵⁷ Constitutional duties of the Commission consist of conducting investigations and making public reports on all breach of trust complaints towards public officers or employees not governed by the judicial qualifications commission.⁵⁸ In addition to constitutional duties, the Commission, in part:

- Renders advisory opinions to public officials;⁵⁹
- Makes recommendations to disciplinary officials when appropriate for violations of ethics and disclosure laws;⁶⁰
- Administers the Executive Branch Lobbying Registration and Reporting Law;⁶¹
- Maintains financial disclosure filings of constitutional officers and state officers and employees;⁶² and
- Administers automatic fines for public officers and employees who fail to timely file a required annual financial disclosure.⁶³

Code of Ethics for Public Officers and Employees, Generally

The Code of Ethics for Public Officers and Employees (Code of Ethics)⁶⁴ establishes ethical standards for public officials and is intended to ensure that public officials conduct themselves independently and impartially, not using their office for private gain other than compensation

⁵⁶ Florida Commission on Ethics, *Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees*, p. 1, available at <https://ethics.state.fl.us/Documents/Publications/GuideBookletInternet.pdf?cp=2023310> (last visited January 26, 2026); see also s. 112.320, F.S.

⁵⁷ Section (8)(j)(3), art. II, Fla. Const.; s. 112.320, F.S.

⁵⁸ Section (8)(g), art. II, Fla. Const.

⁵⁹ Section 112.322(3)(a), F.S.

⁶⁰ Section 112.322(2)(b), F.S.

⁶¹ Sections 112.3215 and 112.32155, F.S.

⁶² Section 112.3144, F.S.

⁶³ Sections 112.3144, 112.3145, and 112.31455, F.S.

⁶⁴ See pt. III. Ch. 112, F.S.

provided by law.⁶⁵ The Code of Ethics addresses various issues, such as ethics trainings, voting conflicts, full and public disclosure of financial interests, standards of conduct, and the Commission on Ethics, among others.⁶⁶

Restriction on Gifts

Public officers, state agency employees, local government attorneys, and candidates for office are prohibited from soliciting or accepting anything of value, including a gift, loan, reward, promise of future employment, favor, or service, based upon the understanding that their vote, official action, or judgment would be influenced.⁶⁷

Ethics Training for Specified Public Officials

Current law requires all constitutional officers,⁶⁸ elected municipal officers, commissioners of a community redevelopment agency, and elected local officers of an independent special district to complete 4 hours of ethics training each calendar year. At a minimum, the training must address state constitutional and statutory ethics requirements and state public records and meetings laws.⁶⁹ The Commission on Ethics must adopt rules establishing minimum course content for the portion of the ethics training which addresses state constitutional and statutory ethics requirements.⁷⁰

Effect of Proposed Changes

The bill adds the following definitions to the section of law governing standards of conduct for public officers, employees of agencies, and local government attorneys:

- “Designated foreign terrorist organization,” which is assigned the same meaning as in s. 775.32, F.S.
- “Foreign country of concern,” which is assigned the same meaning as in s. 286.101(1), F.S.

The bill expands the restriction on gifts by prohibiting a public officer, an employee of an agency, a local government attorney, or a candidate for nomination or election from soliciting or accepting anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, for any purpose, including, but not limited to, a gift from a designated foreign terrorist organization or any person or entity representing or acting on behalf of a foreign terrorist organization, or travel costs or any reimbursement for costs of attending a conference or other event, from a foreign country of concern or any of its subdivisions, or from any person or entity representing or acting on behalf of a foreign country of concern or any of its subdivisions.

⁶⁵ Florida Commission on Ethics, *Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees*, p. 1, available at <https://ethics.state.fl.us/Documents/Publications/GuideBookletInternet.pdf?cp=2023310> (last visited January 26, 2026)

⁶⁶ See pt. III. 112, F.S.

⁶⁷ Section 112.313(2), F.S.

⁶⁸ “Constitutional officers” includes the Governor, the Lieutenant Governor, the Attorney General, the Chief Financial Officer, the Commissioner of Agriculture, state attorneys, public defenders, sheriffs, tax collectors, property appraisers, supervisors of elections, clerks of the circuit court, county commissioners, district school board members, and superintendents of school (s. 112.3142(1), F.S.).

⁶⁹ Section 112.3142(2), F.S.

⁷⁰ *Id.*

The bill requires the Commission on Ethics to, by November 1, 2026, adopt revised rules to supplement the minimum course content for required ethics training. The additional course content must include:

- Known efforts by foreign countries of concern to target and influence subnational governments, including, but not limited to, the Chinese Communist Party's United Front strategy.⁷¹ The term "foreign country of concern" has the same definition as in s. 286.101(1), F.S.
- How to identify, recognize, and report suspected foreign influence campaigns.
- Prohibitions on receiving gifts from foreign countries of concern or designated foreign terrorist organizations. The term "designated foreign terrorist organization" has the same definition as in s. 775.32, F.S.

Restrictions on Interactions with Cuba (Sections 8 and 12)

Present Situation

Current law authorizes any local governing authority issuing a business tax receipt⁷² to an individual, business, or entity may revoke or refuse to renew such receipt if the individual, business, or entity, or parent company of such, is doing business with Cuba.⁷³

Current law also provides a policy of Florida regarding support for a free and independent Cuba. In part, the policy provides for Florida's participation in the economic embargo on Cuba shall be terminated upon transmittal to Congress of a presidential determination that a democratically elected government is in power in Cuba.⁷⁴

Effect of Proposed Changes

The bill revises the authorization for revocation of or refusal to renew a business tax receipt by:

- Specifying that any appropriate tax collector has such authorization to revoke or refuse to renew.
- Deleting language allowing revocation or refusal to renew if the *parent company* of an individual, business, or entity is doing business with Cuba.
- Specifying that the authority to revoke or refuse to renew applies only if the business with Cuba is being conducted in violation of federal law.

⁷¹ China employs a political influence strategy known as "United Front" to manage, co-opt, and mitigate "potential opposition to the policies and authority of the Chinese Communist Party (CCP)." The CCP entity responsible for coordinating this effort, the United Front Work Department, primarily focuses on managing groups within China but also carries out significant activities abroad. In the international context, United Front work includes efforts aimed at engaging and influencing ethnic Chinese individuals, as well as broader influence operations conducted through affiliated organizations that target foreign institutions and governments. *See* U.S-China Economic and Security Review Commission, "China's Overseas United Front Work: Background and Implications for the United States," available at <https://www.uscc.gov/research/chinas-overseas-united-front-work-background-and-implications-united-states> (last visited January 29, 2026).

⁷² A local business tax receipt evidences that the person in whose name the document is issued has complied with the provisions of ch. 205, F.S., relating to the business tax (s. 205.022(8), F.S.).

⁷³ Section 205.0532, F.S.

⁷⁴ Section 288.854, F.S.

- Authorizing any appropriate tax collector or local governing authority to request a sworn affidavit or declaration from any individual, business, or entity attesting to whether it is doing business with Cuba in violation of federal law; and making it a crime of perjury, a third-degree felony, to make a false declaration.

The bill also provides that if the federal government changes the diplomatic status of Cuba, the Governor may, by executive order, suspend the provisions of any statute or rule restricting interactions with Cuba for a period not to exceed adjournment sine die of the regular session of the Legislature after such suspension. Such a suspension may not be renewed or extended. At least 30 days before the next regular session of the Legislature, the Governor must submit to the legislative presiding officers written recommendations for policy changes that should be considered concerning Cuba.

Governmental Contracting with Entities of Foreign Sources of Concern (Section 9)

Present Situation

Government Contracting and Procurement

Current law requires a competitive solicitation⁷⁵ process when state agencies wish to procure commodities or contractual services that cost more than \$35,000.⁷⁶ Depending on the type of contract and scope of work or goods sought, an agency may use one of three procurement methods:

- Invitation to bid (ITB): An agency must use an ITB when the agency is capable of specifically defining the scope of work for which a contractual service is required or when the agency is capable of establishing precise specifications defining the actual commodity or group of commodities required.⁷⁷
- Request for proposals (RFP): An agency must use an RFP when the purposes and uses for which the commodity, group of commodities, or contractual service being sought can be specifically defined and the agency is capable of identifying necessary deliverables.⁷⁸
- Invitation to negotiate (ITN): An ITN is a solicitation used by an agency that is intended to determine the best method for achieving a specific goal or solving a particular problem and identifies one or more responsive vendors with which the agency may negotiate in order to receive the best value.⁷⁹

Scrutinized List of Prohibited Countries

Companies on the Scrutinized Companies with Activities in Sudan list, on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector list, or engaged in business operations in Cuba or Syria are prohibited from bidding on, submitting a proposal for, or entering into or renewing a contract with an agency or a local governmental entity for goods or

⁷⁵ A “competitive solicitation” is the process of requesting and receiving two or more sealed bids, proposals, or replies submitted by responsive vendors in accordance with the terms of a competitive process, regardless of the method of procurement (s. 287.012(6), F.S.)

⁷⁶ Sections 287.057 and 287.017, F.S.

⁷⁷ Section 287.057(1)(a), F.S.

⁷⁸ Section 287.057(1)(b), F.S.

⁷⁹ Section 287.057(1)(c), F.S.

services of \$1 million or more.⁸⁰ Similarly, a company on the Scrutinized Companies that Boycott Israel list or a company that engaged in a boycott of Israel may not bid on, submit a proposal for, or enter into or renew a contract with an agency or local governmental entity for goods or services of \$100,000 or more.⁸¹ The State Board of Administration is charged with maintaining a complete list of scrutinized companies.⁸²

Governmental Contracting with Foreign Countries of Concern, Generally

Current law prohibits a governmental entity⁸³ from knowingly entering into a contract with, or renewing a contract with, an entity which would give access to an individual's personal identifying information if:

- The entity is owned by the government of a foreign country of concern;⁸⁴
- The government of a foreign country of concern has a controlling interest⁸⁵ in the entity; or
- The entity is organized under the laws of or has its principal place of business in a foreign country of concern.⁸⁶

In addition, a governmental entity may not accept a bid on, a proposal for, or a reply to, or enter into a contract with an entity which would grant the entity access to an individual's personal information unless the entity provides the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity does not meet any of the specified criteria regarding foreign countries of concern.⁸⁷

Effect of Proposed Changes

The bill:

- Creates additional definitions, providing that "foreign source of concern" has the same meaning as in s. 496.404, F.S., and that "information technology" has the same meaning as in s. 282.0041, F.S.
- Revises the prohibition related to governmental contracts and access to personal information to instead prohibit a governmental entity from knowingly entering into a contract with a foreign *source* of concern if the contract would give access to an individual's personal identifying information.

⁸⁰ Section 287.135(2)(b), F.S.

⁸¹ Section 287.135(2)(a), F.S.

⁸² Sections 215.4725 and 215.473(2)(a), F.S.

⁸³ "Governmental entity" means any state, county, district, or authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, but not limited to, the Commission on Ethics, the Public Service Commission, the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency (s. 287.138(1)(d), F.S.).

⁸⁴ "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, or the Syrian Arab Republic, including any agency of or any other entity of significant control of such foreign country of concern (s. 287.138(1)(c), F.S.).

⁸⁵ "Controlling interest" means possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise. A person or entity that directly or indirectly has the right to vote 25 percent or more of the voting interests of the company or is entitled to 25 percent or more of its profits is presumed to possess a controlling interest. Section 287.138(1)(a), F.S.

⁸⁶ Section 287.138(2)-(3), F.S.

⁸⁷ Section 287.138(4)(a), F.S.

- Prohibits a governmental entity from knowingly entering into a contract for information technology with a foreign source of concern, or through a third-party seller when the information technology is designed, manufactured, or assembled by a foreign source of concern, or for any services relating to information technology with a foreign source of concern.
- Expands the existing prohibition against specified government procurement activities to also include an activity or contract that would involve information technology.

The bill also updates current dates by which governmental entities must comply with the law's provisions, to incorporate the changes made by the bill.

The bill specifies that notwithstanding the provided restrictions on contracting, a governmental entity may enter into, extend, or renew a contract involving information technology that would otherwise be prohibited if the Department of Management Services (DMS) makes a written determination that:

- There is no reasonable alternative available to address a specific need.
- Failure to enter into the contract would pose a greater risk to public health, public safety, or economic security than the risk associated with entering into the contract.
- The contract includes mitigation measures deemed necessary by the DMS to reduce any risk to this state.

The bill requires that, beginning January 1, 2027, the DMS submit to the Governor and legislative presiding officers a written quarterly report detailing each contract entered into pursuant to the exception described above.

The bill specifies that:

- The restrictions on contracting do not apply to information technology that is incapable of remote access to or control of critical infrastructure.
- The DMS may create a nonexhaustive list of information technology that violates the restrictions on contracting.
- The DMS may adopt rules to implement the restrictions on contracting.

Intergovernmental Relations (Section 10)

Present Situation

The Florida Secretary of State serves as the state protocol officer.⁸⁸ Among other duties, the state protocol officer is responsible for consular operations and the sister city and sister state programs.⁸⁹

A consul is an official who is appointed by his or her government to live in a foreign city and protect and promote that government's citizens and interests there. An honorary consul is someone who is approved by the United States Department of State to perform limited consular services, which might include fostering business relationships and hosting cultural education.

⁸⁸ Section 15.01(1), F.S.

⁸⁹ Section 288.816(1), F.S.

The U.S. Department of State's Office of Foreign Missions authorizes the establishment of consular posts in the United States.⁹⁰ The Florida Department of State's website currently lists 117 consulate locations within the state.⁹¹

A sister city, county, or state relationship is a long-term partnership that is broadly based between two communities in two countries. The relationship receives official recognition after the highest elected or appointed official from each of the communities signs off on the agreement.⁹² Each relationship is independent and may include municipal, business, trade, educational and cultural exchanges and projects.⁹³ According to the Directory of Bi-National Chambers and Sister Cities in Florida, in December 2024, 58 Florida cities were engaged in sister city relationships.⁹⁴

Effect of Proposed Changes

The bill provides that the state protocol officer's activities regarding the sister city and sister state programs may not include encouragement of any affiliations with foreign countries of concern, as defined in s. 288.860, F.S., or their subdivisions.

In addition, the bill requires the Department of State to publish on its website, and update quarterly:

- A current and accurate list of all foreign consulate offices.
- A current and accurate list of all sister city and sister state affiliations, including a copy of all such agreements.

Relationships between Postsecondary Institutions in Florida and Foreign Countries (Section 11)

Present Situation

Current law establishes Florida linkage institutes, which are relationships between postsecondary institutions in this state and those of selected foreign countries. They are intended to assist in the development of stronger economic, cultural, educational, and social ties between Florida and strategic foreign countries through:

- Expanded public and private dialogue on cooperative research and technical assistance activities;
- Increased bilateral commerce;
- Student and faculty exchange;
- Cultural exchange; and

⁹⁰ See Florida Department of State, *Consular Offices in Florida*, <https://dos.fl.gov/cultural/about-us/office-of-international-affairs/consular-offices-in-florida/> (last visited Feb. 1, 2026).

⁹¹ *Id.* The department's website cautions that it is not responsible for the accuracy of the list and suggests contacting the respective consulate for information.

⁹² Florida Department of State, *Florida Sister Cities*, <https://dos.fl.gov/cultural/about-us/office-of-international-affairs/florida-sister-cities/> (last visited Feb. 1, 2026).

⁹³ *Id.*

⁹⁴ Florida Department of State, *Directory of Bi-National Chambers and Sister Cities in Florida*, <https://files.floridados.gov/media/709662/bi-national-chambers-and-fl-sister-cities-as-of-december-2024.pdf> (last visited Feb. 1, 2026).

- The enhancement of language training skills.⁹⁵

There are currently 11 linkage institutes established in statute.⁹⁶ Each institute is allowed to exempt from in-state residency tuition requirements up to 25 full-time equivalent students per year from the respective host countries.⁹⁷

Effect of Proposed Changes

The bill:

- Removes the Florida-China Institute from the list of established linkage institutes.
- Repeals the exemption for in-state residency tuition requirements.
- Creates a new prohibition, that a linkage institute may not enter into any agreement or participate in any activities with a foreign country of concern or any organization in a foreign country of concern. “Foreign country of concern” has the same meaning as in s. 288.860, F.S.

International Cultural Agreements (Section 13)

Present Situation

A state agency, political subdivision, or public school authorized to expend state-appropriated funds or levy ad valorem taxes may not participate in any agreement with or accept any grant from a foreign country of concern, or any entity controlled by a foreign country of concern, which:

- Constrains the freedom of contract of such public entity;
- Allows the curriculum or values of a program in the state to be directed or controlled by the foreign country of concern; or
- Promotes an agenda detrimental to the safety or security of the United States or its residents.⁹⁸

Before the execution of any cultural exchange agreement with a foreign country of concern, the substance of the agreement must be shared with federal agencies concerned with protecting national security or enforcing trade sanctions, embargoes, or other restrictions under federal law.⁹⁹ If such a federal agency provides information suggesting that such an agreement promotes

⁹⁵ Section 288.8175(1), F.S.

⁹⁶ Section 288.8175(4), F.S. The institutes are the Florida-Brazil Institute (University of Florida and Miami-Dade College), Florida-Costa Rica Institute (Florida State University and Valencia College), Florida Caribbean Institute (Florida International University and Daytona State College), Florida-Canada Institute (University of Central Florida and Palm Beach State College), Florida-China Institute (University of West Florida, University of South Florida, and Eastern Florida State College), Florida-Japan Institute (University of South Florida, University of West Florida, and St. Petersburg College), Florida-France Institute (New College of the University of South Florida, Miami Dade College, and Florida State University), Florida-Israel Institute (Florida Atlantic University and Broward College), Florida-West Africa Institute (Florida Agricultural and Mechanical University, University of North Florida, and Florida State College at Jacksonville), Florida-Eastern Europe Institute (University of Central Florida and Lake-Sumter State College), and Florida-Mexico Institute (Florida International University and Polk State College).

⁹⁷ Section 288.8175(5), F.S. Section 1009.21, F.S., sets forth requirements for resident status for tuition purposes.

⁹⁸ Section 288.860(2), F.S.

⁹⁹ Section 288.860(2)(c), F.S.

an agenda detrimental to the safety or security of the United States or its residents, the public entity may not enter into the agreement.¹⁰⁰

Effect of Proposed Changes

The bill deletes the specified conditions under which the prohibition on agreements or grants is effective, thereby making it a blanket prohibition without exceptions. The bill also provides that all international cultural agreements with a foreign country of concern or its subdivisions entered into under the existing law, including, but not limited to, sister city agreements, are terminated as of July 1, 2026.

Protection of State Critical Infrastructure Facilities (Section 17)

Present Situation

Current law provides a number of definitions of “critical infrastructure” and related protections. Examples include:

- A criminal penalty for a person who knowingly and intentionally tampers with and damages infrastructure of certain manufacturing, mining, energy, water treatment, transportation, military, or civil defense facilities or locations, or of dams.¹⁰¹
- A public records exemption for specified information relating to information technology and operational technology, the incapacity or destruction of which would negatively affect security, economic security, public health, or public safety.¹⁰²
- A prohibition against operating a drone over specified manufacturing, mining, energy, water treatment, transportation, military, or correctional or detention facilities, or over dams.¹⁰³
- Authorization for a security officer of a specified chemical, energy, shipping, or telecommunications facility to temporarily detain a person suspected of committing a crime.¹⁰⁴
- A prohibition against foreign ownership of land that is within 10 miles of a specified chemical, energy, water treatment, telecommunications, or transportation facility or location.¹⁰⁵
- A prohibition against and related criminal penalty for a person who receives military-type training from a designated foreign terrorist organization and uses or attempts to use such training with the intent to damage a specified chemical, energy, shipping, or telecommunications facility.¹⁰⁶

Effect of Proposed Changes

The bill creates a new section of law, within the chapter prohibiting the purchase of certain land by foreign principals, to govern the protection of state critical infrastructure facilities from foreign sources of concern. It assigns the following definitions:

¹⁰⁰ *Id.*

¹⁰¹ Section 812.141, F.S.

¹⁰² Section 119.0725, F.S.

¹⁰³ Section 330.41, F.S.

¹⁰⁴ Section 493.631, F.S.

¹⁰⁵ Sections 692.201(2) and 692.203(1), F.S.

¹⁰⁶ Section 775.32, F.S.

- “Foreign source of concern” has the same meaning as in s. 496.404, F.S.
- “Business entity” has the same meaning as in s. 112.312, F.S.¹⁰⁷
- “Governmental entity” has the same meaning as in s. 287.138(1), F.S.
- “Information technology” has the same meaning as in s. 282.0041, F.S.

The bill prohibits a governmental entity or a business entity constructing, repairing, operating, or otherwise having significant access to a critical infrastructure facility; or a foreign source of concern from entering into a contract or other agreement relating to a critical infrastructure facility within this state if the contract or agreement authorizes a foreign source of concern to directly or remotely access or otherwise control such critical infrastructure facility.

Beginning January 1, 2027, the bill requires a business entity constructing, repairing, operating, or otherwise having significant access to a critical infrastructure facility in Florida which entered into a contract or other agreement before the bill’s effective date with a foreign source of concern relating to such critical infrastructure facility to register with the Department of Commerce¹⁰⁸ by January 1 of each year for the remainder of the term of the contract or agreement. The Department of Commerce must adopt a form for such registration that includes:

- The name of the business entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure facilities.
- The address of the critical infrastructure facility the entity is constructing, repairing, or operating or to which the entity otherwise has significant access.
- A description of the specific terms of the contract or agreement which authorizes a foreign source of concern to engage in constructing, repairing, or operating or to otherwise have significant access to the critical infrastructure facility.

The bill provides that a business entity that fails to register as required commits a second-degree misdemeanor and is subject to a civil penalty of \$1,000 for each day the violation continues.

Before commencing any sale or other transfer of control of a critical infrastructure facility in Florida, the bill requires the business entity selling or otherwise transferring control of the facility to provide an affidavit, signed under penalty of perjury, to the Department of Commerce attesting that the buyer or transferee is not a foreign source of concern.

The bill prohibits information technology¹⁰⁹ produced or manufactured by a foreign source of concern or a company under the direction of a foreign source of concern from being used in a critical infrastructure facility located in or serving Florida.

¹⁰⁷ Section 112.312(5), F.S., defines “business entity” to mean any corporation, partnership, limited partnership, company, limited liability company, proprietorship, firm, enterprise, franchise, association, self-employed individual, or trust, whether fictitiously or not, doing business in this state.

¹⁰⁸ The purpose of the Department of Commerce is to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities. The department is the state’s chief agency for business recruitment and expansion and economic development. *See* s. 20.60, F.S., and “Department of Commerce,” Office of Program Policy Analysis and Government Accountability, available at <https://oppaga.fl.gov/ProgramSummary/ProgramDetail?programNumber=6101> (last visited January 27, 2026).

¹⁰⁹ As defined in s. 282.0041, F.S.

The bill requires the Department of Commerce to adopt rules to implement the new provisions.

The bill specifies that, notwithstanding the restrictions, a governmental entity or business entity may enter into a contract or other agreement with a foreign source of concern to use information technology that is otherwise prohibited in a critical infrastructure facility if the Department of Commerce, in consultation with the DMS, makes a written determination that:

- There is no reasonable alternative available to address a specific need.
- Failure to enter into the contract or agreement would pose a greater risk to public health, public safety, or economic security than the risk associated with entering into the contract or agreement.
- The contract or agreement includes mitigation measures deemed necessary by the Department of Commerce, in consultation with the DMS, to reduce any risk to this state.

The bill requires, beginning January 1, 2027, the Department of Commerce to submit to the Governor and the legislative presiding officers a written quarterly report detailing each contract or agreement entered into under the exception described above.

Criminal Offenses by Foreign Agents (Section 19)

Present Situation

Reclassification occurs when the Legislature *increases the degree of a conviction*. The reclassification attaches at the time the charges are filed.¹¹⁰ Reclassification of a criminal conviction from one degree to a higher degree stems from an express and explicit grant of statutory authority.¹¹¹

Current law provides a reclassified, increased criminal penalty for a person who commits trafficking in trade secrets if the action was committed with the intent to benefit a foreign government, a foreign agent, or a foreign instrumentality.¹¹² “Foreign agent” means any officer, employee, proxy, servant, delegate, or representative of a foreign government.¹¹³ Current law also provides a reclassified, increased criminal penalty for a person who commits threats or extortion if that person is acting as a foreign agent.¹¹⁴

Effect of Proposed Changes

The bill creates a new section of law providing for reclassification of criminal offenses committed for the purpose of benefiting, promoting, or furthering the interests of a foreign government, a designated foreign terrorist organization, or an agent of a foreign government or designated foreign terrorist organization. Specifically, in such cases:

- A second-degree misdemeanor is reclassified to a first-degree misdemeanor.
- A first-degree misdemeanor is reclassified to a third-degree felony.

¹¹⁰ *Cooper v. State*, 455 So.2d 588 (Fla. 1st DCA 1984); *Jackson v. State*, 515 So.2d 394 (Fla. 1st DCA 1987).

¹¹¹ *Cf. Spicer v. State*, 615 So.2d 725, 726 (Fla. 2d DCA 1993) (reversing reclassification of robbery with a mask conviction because “[p]enal statutes must be construed in terms of their literal meaning [I]f the legislature had intended section 775.0845 [Florida Statutes (1989)] to reclassify offenses, it would have so stated”).

¹¹² Section 812.081(4), F.S.

¹¹³ Section 812.081(4), F.S.

¹¹⁴ Section 836.05(2), F.S.

- A third-degree felony is reclassified to a second-degree felony.
- A second-degree felony is reclassified to a first-degree felony.
- A first-degree felony is reclassified to a life felony.

The bill also provides that, in addition to any other penalties prescribed by law, a person convicted of a first-degree felony or a life felony under the new section must be sentenced to a minimum term of imprisonment of 15 years.

Unauthorized Enforcement of Foreign Law (Section 20)

Present Situation

Transnational repression occurs when foreign governments or agents “reach beyond their borders to intimidate, silence, coerce, harass, or harm members of their diaspora and exile communities in the United States.”¹¹⁵ Such repression may include, among other actions:

- Stalking.
- Online disinformation campaigns.
- Harassment.
- Intimidation or threats.
- Cyberhacking.¹¹⁶

In 2025, Texas enacted two laws to combat attempts by foreign agents to police individuals on U.S. soil without legal authority, criminalizing:

- The unauthorized enforcement of foreign law.¹¹⁷
- Transnational repression.¹¹⁸

Florida does not currently specifically prohibit the unauthorized enforcement of foreign law.

Effect of Proposed Changes

The bill creates a new section of law, substantially similar to the Texas law, which prohibits the unauthorized enforcement of foreign law. Specifically, the bill provides that without the approval of this state or the United States, a person may not:

- Prevent another person in this state from violating the laws of a foreign government which are not also the laws of this state or the United States.
- Investigate, monitor, or surveil another person in this state for the purposes of preventing the other person from violating the laws of a foreign government that are not also the laws of this state or the United States.

The bill makes violation of the new prohibition a third-degree felony. However, if a person violates the prohibition for the purpose of benefiting, promoting, or furthering the interests of a

¹¹⁵ Federal Bureau of Investigation, *What We Investigate*, <https://www.fbi.gov/investigate/counterintelligence/transnational-repression> (last visited Feb. 1, 2026).

¹¹⁶ *Id.*

¹¹⁷ Section 76.046, Texas Penal Code.

¹¹⁸ Section 76.045, Texas Penal Code.

foreign government, a designated foreign terrorist organization, or an agent of a foreign government, the penalty is a second-degree felony.

The bill defines “agent of a foreign government or designated foreign terrorist organization” to mean a person acting on behalf of or otherwise employed or controlled by a foreign government or a designated foreign terrorist organization. “Designated foreign terrorist organization” has the same meaning as provided in s. 775.32(1), F.S. “Foreign government” has the same meaning as in s. 286.101(1), F.S.

Governmental Contracting for Traffic Camera Systems with Foreign Countries of Concern (Section 14)

Present Situation

Florida law expressly preempts to the state the regulation of the use of cameras for enforcing the Florida Uniform Traffic Control Law.¹¹⁹ The only cameras currently authorized to enforce traffic laws are traffic infraction detectors (commonly known as red light cameras),¹²⁰ speed detection systems used to enforce school zone speed limits for violations in excess of 10 miles per hour over the speed limit,¹²¹ and school bus infraction detection systems.¹²²

A governmental entity may not knowingly enter into or renew a contract with a contracting vendor of any camera system used for enforcing Florida’s Uniform Traffic Control Law if:

- The contracting vendor is owned by the government of a foreign country of concern; or
- The government of a foreign country has a controlling interest in the contracting vendor.

The terms “controlling interest” and “foreign country of concern” have the same meanings as in s. 287.138(1), F.S.¹²³

Effect of Proposed Changes

The bill deletes the references to the definitions of “controlling interest” and “foreign country of concern” in s. 287.138(1), F.S., and creates definitions for the terms that are largely identical to those provided in s. 287.138(1), F.S.

Government Technology Modernization Council (Section 21)

Present Situation

Current law establishes the Government Technology Modernization Council, an advisory council within the Department of Management Services. The council’s purpose is to study and monitor the development and deployment of new technologies and provide reports on recommendations

¹¹⁹ Section 316.0076, F.S. Ch. 316, F.S., is the Florida Uniform Traffic Control Law. The purpose of Florida Uniform Traffic Control Law is to ensure consistent and uniform regulation of traffic across Florida jurisdictions (s. 316.002, F.S.).

¹²⁰ Section 316.0083, F.S., relating to the Mark Wandall Traffic Safety Program.

¹²¹ Section 316.1896, F.S.

¹²² Section 316.173, F.S.

¹²³ Section 316.0078, F.S.

for procurement and regulation of such systems to the Governor, the President of the Senate, and the Speaker of the House of Representatives.¹²⁴

Its duties include, but are not limited to, determining the manner in which artificial intelligence is being exploited by bad actors, including foreign countries of concern. “Foreign countries of concern” has the same meaning as in s. 287.138(1), F.S.

Effect of Proposed Changes

The bill replaces the linked definition of “foreign country of concern” with that provided in s. 286.101(1), F.S.

Effective Date (Section 22)

The bill takes effect July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not appear to require counties and municipalities to spend funds, reduce the authority of municipalities or counties to raise revenue, or 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 identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

¹²⁴ Section 282.802, F.S.

B. Private Sector Impact:**Surrogacy Arrangements in Florida (Section 3 and 18)**

The bill may have an indeterminate, negative fiscal impact on business entities, as fertility clinics, adoption entities, and surrogacy agencies may experience reduced participation from international intended parents.

Governmental Contracting with Entities of Foreign Countries of Concern (Section 9)

The bill may have an indeterminate, negative fiscal impact on business entities impacted by the expanded contracting restrictions.

International Relations (Section 10)

The bill may have an indeterminate, negative fiscal impact on communities that would otherwise engage in a sister city or sister state relationship with a community in a foreign country of concern.

Relationships between Postsecondary Institutions in Florida and Foreign Countries (Section 11)

The bill will likely have a negative fiscal impact on students from other countries who would previously have benefited from the limited exemption for in-state residency tuition requirements.

International Cultural Agreements (Section 13)

The bill may have an indeterminate, negative fiscal impact on entities controlled by a foreign country of concern to the extent that they are impacted by the bill's expanded restrictions on agreements and grants.

Protection of Critical State Infrastructure Facilities (Section 17)

The bill may have an indeterminate, negative fiscal impact on the private sector by limiting which parties may enter into specified contracts or agreements related to critical infrastructure facilities, as well as creating fines associated with failing to register specified information related to specified contracts or agreements related to critical infrastructure facilities.

Criminal Offenses by Foreign Agents (Section 19)

The bill will have an indeterminate, negative fiscal impact on persons who are convicted of the reclassified criminal offenses.

Unauthorized Enforcement of Foreign Law (Section 20)

The bill will have an indeterminate, negative fiscal impact on persons who are convicted of violating the new prohibition on authorized enforcement of foreign law.

C. Government Sector Impact:**Ethics Requirements for Public Officials and Employees (Sections 3 and 4)**

The bill's expansion of the gift restriction may result in an indeterminate, negative fiscal impact on the Commission on Ethics to the extent that additional enforcement actions occur. In addition, the Commission on Ethics may incur an insignificant negative fiscal impact associated with creating the additional ethics training content and related rulemaking.

Governmental Contracting with Entities of Foreign Countries of Concern (Section 9)

The bill may result in an insignificant, negative fiscal impact on state and local governments. It expands contracting prohibitions related to business entities with connections to foreign countries of concern, and state agencies and local governments could incur costs associated with updating procurement procedures. Additionally, legal costs to the state may arise if enforcement actions are pursued. However, the costs can likely be absorbed within existing resources.

International Relations (Section 10)

The bill may have an insignificant, negative fiscal impact on the Department of State due to the creation of new publishing requirements. However, the new requirements are likely to be absorbed within existing resources.

Relationships between Postsecondary Institutions in Florida and Foreign Countries (Section 11)

Florida postsecondary institutions affiliated with the Florida-China Institute or that would otherwise participate in activities involving a foreign country of concern may incur an indeterminate fiscal impact.

International Cultural Agreements (Section 13)

The bill's expansion of restrictions on governmental agreements and grants may have an indeterminate, negative fiscal impact on governmental entities that would enter into an agreement or grant under current law.

Protection of Critical State Infrastructure Facilities (Section 17)

The bill may have an indeterminate fiscal impact on state government by limiting which parties may enter specified contracts relating to critical infrastructure, and by creating

finances associated with failing to register specified information related to specified contracts and agreements related to critical infrastructure. The bill may have an indeterminate positive impact on jail beds by creating a misdemeanor offense related to failing to register specified information as required.

Criminal Offenses by Foreign Agents (Section 19)

There may be an indeterminate, negative fiscal impact to the extent that the reclassification of crimes leads to additional jail or prison bed needs. However, some costs may be offset by associated fines that are increased due to the reclassified crimes.

Unauthorized Enforcement of Foreign Law (Section 20)

There will likely be an indeterminate, negative fiscal impact on the criminal justice system to the extent that the new crime leads to additional prosecutions and increased need for jail or prison beds. However, some costs may be offset by associated fines.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill makes several references to the “Venezuelan regime of Nicolas Maduro.” Mr. Maduro, however, was captured by the United States Military on January 3, 2026. In between court proceedings, he is being held in the Metropolitan Detention Center in Brooklyn, New York. Venezuela is currently headed by Delcy Rodriguez who is described as the interim president of the country, but the United States exercises some control over the country by controlling its oil trade. Under these circumstances, it is not clear whether the “Venezuelan regime of Nicolas Maduro” continues to exist.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 11.045, 63.213, 112.313, 112.3142, 112.3215, 112.3261, 205.0532, 287.138, 288.816, 288.8175, 288.854, 288.860, 316.0078, 692.201, and 742.15.

This bill creates the following sections of the Florida Statutes: 692.21, 775.08255, and 775.36.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

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

CS/CS by Appropriations on March 2, 2026:

The committee substitute replaces the new framework for state-level registration of foreign agents with a requirement that each registered lobbyist disclose specified information about principals related to foreign countries of concern. It also revises the

definition and application of “foreign country of concern” and “foreign source of concern” and adds to the bill:

- A requirement that participants in preplanned adoption and surrogacy agreements be U.S. citizens or lawful permanent residents, and that at least one intended parent to be domiciled in Florida.
- An expansion of the current-law authorization for a local governing authority to revoke a business tax receipt of an individual or business doing business with Cuba.
- Authorization for the Governor to temporarily suspend laws restricting interactions with Cuba if the federal government changes Cuba’s diplomatic status.

CS by Ethics and Elections on January 28, 2026:

The committee substitute makes drafting changes to clarify language in the bill and related statutes, as well as to ensure the definitions of terms used in the bill are clear. The committee substitute also clarifies that:

- Penalties under the new state-level requirements for registration of foreign agents are for *willful* violations, to be consistent with the Florida Elections Commission’s jurisdiction.
- The new course content requirements for ethics training are *in addition to* existing content requirements.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Grall) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. This act may be cited as the "Foreign
Interference Restriction and Enforcement Act."

Section 2. Present paragraphs (c) through (g) of subsection
(2) of section 11.045, Florida Statutes, are redesignated as
paragraphs (d) through (h), respectively, and a new paragraph
(c) is added to that subsection, to read:



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11 11.045 Lobbying before the Legislature; registration and
12 reporting; exemptions; penalties.—

13 (2) Each house of the Legislature shall provide by rule, or
14 may provide by a joint rule adopted by both houses, for the
15 registration of lobbyists who lobby the Legislature. The rule
16 may provide for the payment of a registration fee. The rule may
17 provide for exemptions from registration or registration fees.
18 The rule shall provide that:

19 (c)1. Registration must include whether each principal
20 represented is:

21 a. A foreign country of concern; or

22 b. A domestic partnership, an association, a corporation,
23 an organization, or any other business entity that is at least
24 25 percent beneficially owned by a foreign country of concern, a
25 nonresident alien from a foreign country of concern, or an
26 entity organized under the laws of or having its principal place
27 of business in a foreign country of concern.

28 2. As used in this paragraph, the term "foreign country of
29 concern" has the same meaning as in s. 286.101.

30 Section 3. Subsection (2) of section 63.213, Florida
31 Statutes, is amended to read:

32 63.213 Preplanned adoption agreement.—

33 (2)(a) A preplanned adoption agreement is prohibited unless
34 all of the following apply:

35 1. The volunteer mother is a United States citizen or
36 lawful permanent resident.

37 2. Each intended parent is a United States citizen or
38 lawful permanent resident and at least one intended parent is
39 domiciled in Florida.



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40 (b) A preplanned adoption agreement must include, but need
41 not be limited to, the following terms:

42 1.~~(a)~~ That the volunteer mother agrees to become pregnant
43 by the fertility technique specified in the agreement, to bear
44 the child, and to terminate any parental rights and
45 responsibilities to the child she might have through a written
46 consent executed at the same time as the preplanned adoption
47 agreement, subject to a right of rescission by the volunteer
48 mother any time within 48 hours after the birth of the child, if
49 the volunteer mother is genetically related to the child.

50 2.~~(b)~~ That the volunteer mother agrees to submit to
51 reasonable medical evaluation and treatment and to adhere to
52 reasonable medical instructions about her prenatal health.

53 3.~~(c)~~ That the volunteer mother acknowledges that she is
54 aware that she will assume parental rights and responsibilities
55 for the child born to her as otherwise provided by law for a
56 mother if the intended father and intended mother terminate the
57 agreement before final transfer of custody is completed, if a
58 court determines that a parent clearly specified by the
59 preplanned adoption agreement to be the biological parent is not
60 the biological parent, or if the preplanned adoption is not
61 approved by the court pursuant to the Florida Adoption Act.

62 4.~~(d)~~ That an intended father who is also the biological
63 father acknowledges that he is aware that he will assume
64 parental rights and responsibilities for the child as otherwise
65 provided by law for a father if the agreement is terminated for
66 any reason by any party before final transfer of custody is
67 completed or if the planned adoption is not approved by the
68 court pursuant to the Florida Adoption Act.



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69 5.~~(e)~~ That the intended father and intended mother
70 acknowledge that they may not receive custody or the parental
71 rights under the agreement if the volunteer mother terminates
72 the agreement or if the volunteer mother rescinds her consent to
73 place her child for adoption within 48 hours after the birth of
74 the child, if the volunteer mother is genetically related to the
75 child.

76 6.~~(f)~~ That the intended father and intended mother may
77 agree to pay all reasonable legal, medical, psychological, or
78 psychiatric expenses of the volunteer mother related to the
79 preplanned adoption arrangement and may agree to pay the
80 reasonable living expenses and wages lost due to the pregnancy
81 and birth of the volunteer mother and reasonable compensation
82 for inconvenience, discomfort, and medical risk. No other
83 compensation, whether in cash or in kind, shall be made pursuant
84 to a preplanned adoption arrangement.

85 7.~~(g)~~ That the intended father and intended mother agree to
86 accept custody of and to assert full parental rights and
87 responsibilities for the child immediately upon the child's
88 birth, regardless of any impairment to the child.

89 8.~~(h)~~ That the intended father and intended mother shall
90 have the right to specify the blood and tissue typing tests to
91 be performed if the agreement specifies that at least one of
92 them is intended to be the biological parent of the child.

93 9.~~(i)~~ That the agreement may be terminated at any time by
94 any of the parties.

95 Section 4. Subsections (1) and (2) of section 112.313,
96 Florida Statutes, are amended to read:

97 112.313 Standards of conduct for public officers, employees



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of agencies, and local government attorneys.—

(1) DEFINITIONS ~~DEFINITION~~.—As used in this section, unless the context otherwise requires, the term:

(a) “Designated foreign terrorist organization” has the same meaning as in s. 775.32.

(b) “Foreign country of concern” has the same meaning as in s. 286.101.

(c) “Public officer” includes any person elected or appointed to hold office in any agency, including any person serving on an advisory body.

(2) SOLICITATION OR ACCEPTANCE OF GIFTS.—

(a) A ~~no~~ public officer, an employee of an agency, a local government attorney, or a candidate for nomination or election may not ~~shall~~ solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the public officer, employee, local government attorney, or candidate would be influenced thereby.

(b) A public officer, an employee of an agency, a local government attorney, or a candidate for nomination or election may not solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, for any purpose, from a designated foreign terrorist organization, a foreign country of concern or any of its subdivisions, or any person or entity representing or acting on behalf of a designated foreign terrorist organization or foreign country of concern or any of its subdivisions.

Section 5. Paragraph (e) of subsection (2) of section



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112.3142, Florida Statutes, is amended to read:

112.3142 Ethics training for specified constitutional officers, elected municipal officers, commissioners of community redevelopment agencies, and elected local officers of independent special districts.—

(2)

(e) The commission shall adopt rules establishing minimum course content for the portion of an ethics training class which addresses s. 8, Art. II of the State Constitution and the Code of Ethics for Public Officers and Employees. By November 1, 2026, the commission shall adopt revised rules to supplement the minimum course content, which content must include all of the following:

1. Known efforts by foreign countries of concern to target and influence subnational governments, including, but not limited to, the Chinese Communist Party's United Front strategy.

2. How to identify, recognize, and report suspected foreign influence campaigns.

3. Prohibitions on receiving gifts from foreign countries of concern as defined in s. 286.101 or designated foreign terrorist organizations as defined in s. 775.32(1).

Section 6. Subsection (3) of section 112.3215, Florida Statutes, is amended to read:

112.3215 Lobbying before the executive branch or the Constitution Revision Commission; registration and reporting; investigation by commission.—

(3) A person may not lobby an agency until such person has registered as a lobbyist with the commission. Such registration shall be due upon initially being retained to lobby and is



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renewable on a calendar year basis thereafter. Upon registration the person shall provide a statement signed by the principal or principal's representative that the registrant is authorized to represent the principal. The principal shall also identify and designate its main business on the statement authorizing that lobbyist pursuant to a classification system approved by the commission. The registration shall require each lobbyist to disclose, under oath, the following information:

(a) Name and business address;

(b) The name and business address of each principal represented;

(c) 1. Whether each principal represented is:

a. A foreign country of concern; or

b. A domestic partnership, an association, a corporation, an organization, or any other business entity that is at least 25 percent beneficially owned by a foreign country of concern, a nonresident alien from a foreign country of concern, or an entity organized under the laws of or having its principal place of business in a foreign country of concern.

2. As used in this paragraph, the term "foreign country of concern" has the same meaning as in s. 286.101;

(d) His or her area of interest;

(e)~~(d)~~ The agencies before which he or she will appear; and

(f)~~(e)~~ The existence of any direct or indirect business association, partnership, or financial relationship with any employee of an agency with which he or she lobbies, or intends to lobby, as disclosed in the registration.

Section 7. Present paragraphs (c) and (d) of subsection (2) of section 112.3261, Florida Statutes, are redesignated as



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paragraphs (d) and (e), respectively, and a new paragraph (c) is added to that subsection, to read:

112.3261 Lobbying before water management districts; registration and reporting.—

(2) A person may not lobby a district until such person has registered as a lobbyist with that district. Such registration shall be due upon initially being retained to lobby and is renewable on a calendar-year basis thereafter. Upon registration, the person shall provide a statement signed by the principal or principal's representative stating that the registrant is authorized to represent the principal. The principal shall also identify and designate its main business on the statement authorizing that lobbyist pursuant to a classification system approved by the district. Any changes to the information required by this section must be disclosed within 15 days by filing a new registration form. The registration form shall require each lobbyist to disclose, under oath, the following:

(c)1. Whether each principal represented is:

a. A foreign country of concern; or

b. A domestic partnership, an association, a corporation, an organization, or any other business entity that is at least 25 percent beneficially owned by a foreign country of concern, a nonresident alien from a foreign country of concern, or an entity organized under the laws of or having its principal place of business in a foreign country of concern.

2. As used in this paragraph, the term "foreign country of concern" has the same meaning as in s. 286.101.

Section 8. Section 205.0532, Florida Statutes, is amended



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to read:

205.0532 Revocation or refusal to renew; doing business with Cuba.—

(1) Any appropriate tax collector or local governing authority issuing a business tax receipt to any individual, business, or entity under this chapter may revoke or refuse to renew such receipt if the individual, business, or entity, ~~or parent company of such individual, business, or entity,~~ is doing business with Cuba in violation of federal law.

(2) Any appropriate tax collector or local governing authority may request a sworn affidavit or declaration from any individual, business, or entity attesting to whether the individual, business, or entity is doing business with Cuba in violation of federal law.

(3) A person who knowingly makes a false declaration under subsection (2) is guilty of the crime of perjury by false written declaration, a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 9. Section 287.138, Florida Statutes, is amended to read:

287.138 Contracting with entities of foreign sources ~~countries~~ of concern prohibited.—

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

~~(a) "Controlling interest" means possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise. A person or entity that directly or indirectly has the right to vote 25 percent or more of the voting interests of the company or is entitled to 25 percent or more of its profits~~



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~~is presumed to possess a controlling interest.~~

~~(b)~~ "Department" means the Department of Management Services.

~~(b)(e)~~ "Foreign source country of concern" has the same meaning as in s. 496.404 ~~means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity of significant control of such foreign country of concern.~~

~~(c)(d)~~ "Governmental entity" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, but not limited to, the Commission on Ethics, the Public Service Commission, the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.

(d) "Information technology" has the same meaning as in s. 282.0041.

(2)(a) A governmental entity may not knowingly enter into a contract with a foreign source of concern if the contract ~~an entity which~~ would give access to an individual's personal identifying information.

(b) A governmental entity may not knowingly enter into a contract for information technology with a foreign source of concern, or through a third-party seller when the information technology is designed, manufactured, or assembled by a foreign source of concern, or for any services relating to information



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technology with a foreign source of concern ~~if:~~

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

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

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

(3) Beginning July 1, 2026 ~~2025~~, a governmental entity may not extend or renew a contract with a foreign source of concern ~~an entity listed in paragraphs (2)(a)-(c)~~ if the contract would give such foreign source of concern ~~entity~~ access to an individual's personal identifying information or if the contract involves information technology.

(4)(a) Beginning July 1, 2026 ~~January 1, 2024~~, a governmental entity may not accept a bid on, a proposal for, or a reply to, or enter into, a contract with an entity which would grant the entity access to an individual's personal identifying information or involve information technology unless the entity provides the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity is not a foreign source of concern ~~does not meet any of the criteria in paragraphs (2)(a)-(c).~~

(b) Beginning July 1, 2026 ~~2025~~, when an entity extends or renews a contract with a governmental entity which would grant the entity access to an individual's personal identifying information or which involves information technology, the entity must provide the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity is not a foreign source of



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~~concern does not meet any of the criteria in paragraphs (2) (a) - (e).~~

(5) (a) Notwithstanding any other provision of this section, a governmental entity may enter into, extend, or renew a contract involving information technology which is otherwise prohibited by this section if the department makes a written determination that:

1. There is no reasonable alternative available to address a specific need.

2. Failure to enter into the contract would pose a greater risk to public health, public safety, or economic security than the risk associated with entering into the contract.

3. The contract includes mitigation measures deemed necessary by the department to reduce any risk to this state.

(b) Beginning January 1, 2027, the department shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a written quarterly report detailing each contract entered into pursuant to this subsection.

(6) (a) This section does not apply to information technology that is incapable of remote access to or control of critical infrastructure.

(b) The department may create a nonexhaustive list of information technology that violates this section.

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

(7) (6) Any penalties collected under subsection (7) (5) must be deposited into the General Revenue Fund.

(8) (7) The department shall adopt rules to implement this



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section, including rules establishing the form for the affidavit required under subsection (4).

Section 10. Paragraph (a) of subsection (3) of section 288.816, Florida Statutes, is amended, and subsection (7) is added to that section, to read:

288.816 Intergovernmental relations.—

(3) The state protocol officer may:

(a) Coordinate and carry out activities designed to encourage the state and its subdivisions to participate in sister city and sister state affiliations with foreign countries and their subdivisions. Such activities may include a State of Florida sister cities conference. Such activities may not include encouragement of any affiliation with foreign countries of concern as defined in s. 288.860 or their subdivisions.

(7) The department shall publish on its website, to be updated quarterly, the following information:

(a) A current and accurate list of all foreign consulate offices.

(b) A current and accurate list of all sister city and sister state affiliations, including a copy of all such agreements.

Section 11. Subsections (3), (4), and (5) of section 288.8175, Florida Statutes, are amended, and a new subsection (7) is added to that section, to read:

288.8175 Linkage institutes between postsecondary institutions in this state and foreign countries.—

(3) Each institute must be co-administered in this state by a university-community college partnership, ~~as designated in subsection (5),~~ and must have a private sector and public sector



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advisory committee. The advisory committee must be representative of the international education and commercial interests of the state and may have members who are native to the foreign country partner. Six members must be appointed by the Department of Education. The Department of Education must appoint at least one member who is an international educator. The presidents, or their designees, of the participating university and community college must also serve on the advisory committee.

(4) The institutes are:

(a) Florida-Brazil Institute (University of Florida and Miami Dade College).

(b) Florida-Costa Rica Institute (Florida State University and Valencia College).

(c) Florida Caribbean Institute (Florida International University and Daytona State College).

(d) Florida-Canada Institute (University of Central Florida and Palm Beach State College).

~~(e) Florida-China Institute (University of West Florida, University of South Florida, and Eastern Florida State College).~~

~~(f)~~ Florida-Japan Institute (University of South Florida, University of West Florida, and St. Petersburg College).

(f)~~(g)~~ Florida-France Institute (New College of the University of South Florida, Miami Dade College, and Florida State University).

(g)~~(h)~~ Florida-Israel Institute (Florida Atlantic University and Broward College).

(h)~~(i)~~ Florida-West Africa Institute (Florida Agricultural and Mechanical University, University of North Florida, and



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Florida State College at Jacksonville).

(i)~~(j)~~ Florida-Eastern Europe Institute (University of Central Florida and Lake-Sumter State College).

(j)~~(k)~~ Florida-Mexico Institute (Florida International University and Polk State College).

~~(5) Each institute is allowed to exempt from s. 1009.21 up to 25 full-time equivalent students per year from the respective host countries to study in any of the state universities or community colleges in this state as resident students for tuition purposes. The institute directors shall develop criteria, to be approved by the Department of Education, for the selection of these students. Students must return home within 3 years after their tenure of graduate or undergraduate study for a length of time equal to their exemption period.~~

(7) A linkage institute may not enter into any agreement or participate in any activities with a foreign country of concern as defined in s. 288.860 or any organization in a foreign country of concern.

Section 12. Present subsection (4) of section 288.854, Florida Statutes, is redesignated as subsection (5), and a new subsection (4) is added to that section, to read:

288.854 Support for a free and independent Cuba.—

(4) (a) If the Federal Government changes the diplomatic status of Cuba, the Governor may, by executive order, suspend the provisions of any statute or rule restricting interactions with Cuba for a period not to exceed adjournment sine die of the regular session of the Legislature after such suspension. A suspension expires upon adjournment sine die of such regular session of the Legislature. A suspension may not be renewed or



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extended.

(b) If the Governor suspends a statute or rule under paragraph (a), he or she may not subsequently suspend the same statute or rule relating to Cuba unless expressly authorized by the Legislature.

(c) At least 30 days before the next regular session of the Legislature following a change in Cuba's diplomatic status by the Federal Government, the Governor shall submit to the President of the Senate and the Speaker of the House of Representatives written recommendations for policy changes, if any, that should be considered by the Legislature concerning Cuba. However, if the change in Cuba's diplomatic status occurs within 30 days before the convening of the next regular session of the Legislature or during the regular session of the Legislature, the Governor shall submit such recommendations as soon as practicable.

(d) This subsection is repealed October 2, 2028, unless saved from repeal through reenactment by the Legislature.

Section 13. Subsection (2) of section 288.860, Florida Statutes, is amended to read:

288.860 International cultural agreements.—

(2)(a) A state agency, political subdivision, or public school authorized to expend state-appropriated funds or levy ad valorem taxes may not participate in any agreement with or accept any grant from a foreign country of concern or its subdivisions, or any entity controlled by a foreign country of concern.

(b) All agreements under paragraph (a), including, but not limited to, sister city agreements, are terminated as of July 1,



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~~2026, which:~~

~~(a) Constrains the freedom of contract of such public entity;~~

~~(b) Allows the curriculum or values of a program in the state to be directed or controlled by the foreign country of concern; or~~

~~(c) Promotes an agenda detrimental to the safety or security of the United States or its residents. Before the execution of any cultural exchange agreement with a foreign country of concern, the substance of the agreement must be shared with federal agencies concerned with protecting national security or enforcing trade sanctions, embargoes, or other restrictions under federal law. If such federal agency provides information suggesting that such agreement promotes an agenda detrimental to the safety or security of the United States or its residents, the public entity may not enter into the agreement.~~

Section 14. Subsection (1) of section 316.0078, Florida Statutes, is amended to read:

316.0078 Prohibition on contracting for camera systems of vendors of foreign countries of concern.—

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

(a) "Controlling interest" means possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise. A person or an entity that directly or indirectly has 25 percent or more of the voting interests of a company or is entitled to 25 percent or more of its profits is presumed to possess a controlling interest. and



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(b) "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity of significant control of such foreign country of concern ~~have the same meanings as in s. 287.138(1).~~

Section 15. Subsection (14) of section 496.404, Florida Statutes, is amended to read:

496.404 Definitions.—As used in ss. 496.401-496.424, the term:

(14) "Foreign source of concern" means any of the following:

(a) The government or any official of the government of a foreign country of concern;

(b) A political party or member of a political party or any subdivision of a political party in a foreign country of concern;

(c) A partnership, an association, a corporation, an organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity;

(d) Any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent citizen of the United States;

(e) An agent, including a subsidiary or an affiliate of a foreign legal entity, acting on behalf of a foreign source of concern; ~~or~~

(f) An entity in which a person, entity, or collection of



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persons or entities described in paragraphs (a)-(e) has a controlling interest. As used in this paragraph, the term "controlling interest" means the possession of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of securities, by contract, or otherwise. A person or an entity that directly or indirectly has the right to vote 25 percent or more of the voting interest of the company or is entitled to 25 percent or more of its profits is presumed to possess a controlling interest; or

(g) A designated foreign terrorist organization as defined in s. 775.32 or an agent acting on behalf of a designated foreign terrorist organization.

Section 16. Subsection (3) of section 692.201, Florida Statutes, is amended to read:

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

(3) "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity under ~~of~~ significant control of such foreign country of concern.

Section 17. Section 692.21, Florida Statutes, is created to read:

692.21 Protection of state critical infrastructure facilities from foreign sources of concern.—

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

(a) "Business entity" has the same meaning as in s. 112.312.

(b) "Foreign source of concern" has the same meaning as in



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s. 496.404.

(c) "Governmental entity" has the same meaning as in s. 287.138.

(d) "Information technology" has the same meaning as in s. 282.0041.

(2)(a) A governmental entity or a business entity constructing, repairing, operating, or otherwise having significant access to a critical infrastructure facility may not enter into a contract or other agreement relating to a critical infrastructure facility in this state with a foreign source of concern if the contract or agreement authorizes the foreign source of concern to directly or remotely access or otherwise control such critical infrastructure facility.

(b) A foreign source of concern may not enter into a contract or other agreement relating to critical infrastructure facilities in this state with a business entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure facilities, or a governmental entity, if the contract or agreement authorizes the foreign source of concern to directly or remotely access or otherwise control such critical infrastructure facility.

(3)(a) Beginning January 1, 2027, a business entity constructing, repairing, operating, or otherwise having significant access to a critical infrastructure facility in this state which entered into a contract or other agreement before July 1, 2026, with a foreign source of concern relating to such critical infrastructure facility must register with the Department of Commerce by January 1 of each year for the remainder of the term of the contract or agreement with the



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foreign source of concern relating to such critical
infrastructure facility. The Department of Commerce shall adopt
a registration form that includes all of the following:

1. The name of the business entity constructing, repairing,
operating, or otherwise having significant access to critical
infrastructure facilities in this state.

2. The address of the critical infrastructure facility the
business entity is constructing, repairing, or operating or to
which the business entity otherwise has significant access.

3. A description of the specific terms of the contract or
agreement which authorize a foreign source of concern to engage
in constructing, repairing, or operating or to otherwise have
significant access to such critical infrastructure facility.

(b) A business entity that violates paragraph (a):

1. Is subject to a civil penalty of \$1,000 for each day the
violation continues.

2. Commits a misdemeanor of the second degree, punishable
as provided in s. 775.082 or s. 775.083.

(4) Before commencing any sale or other transfer of control
of a critical infrastructure facility in this state, the
business entity selling or otherwise transferring control of
such critical infrastructure facility must provide an affidavit,
signed under penalty of perjury, to the Department of Commerce
attesting that the buyer or transferee is not a foreign source
of concern.

(5) (a) Information technology produced or manufactured by a
foreign source of concern may not be used in a critical
infrastructure facility located in this state.

(b)1. Notwithstanding paragraph (a), a governmental entity



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or business entity may enter into a contract or other agreement with a foreign source of concern to use information technology that is otherwise prohibited in paragraph (a) in a critical infrastructure facility if the Department of Commerce, in consultation with the Department of Management Services, makes a written determination that:

a. There is no reasonable alternative available to address a specific need relating to a critical infrastructure facility in this state.

b. Failure to enter into the contract or agreement would pose a greater risk to public health, public safety, or economic security than the risk associated with entering into the contract or agreement.

c. The contract or agreement includes mitigation measures deemed necessary by the Department of Commerce, in consultation with the Department of Management Services, to reduce any risk to this state.

2. Beginning January 1, 2027, the Department of Commerce shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a written quarterly report detailing each contract or agreement entered into pursuant to this paragraph.

(c) This subsection does not apply to information technology that is incapable of remote access to or control of critical infrastructure.

(6) The Department of Commerce shall adopt rules to implement this section.

Section 18. Subsection (1) of section 742.15, Florida Statutes, is amended to read:



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742.15 Gestational surrogacy contract.—

(1) Prior to engaging in gestational surrogacy, a binding and enforceable gestational surrogacy contract shall be made between the commissioning couple and the gestational surrogate. A contract for gestational surrogacy is prohibited ~~shall not be binding and enforceable~~ unless all of the following apply:

(a) The gestational surrogate is 18 years of age or older and is a United States citizen or lawful permanent resident.

(b) The commissioning couple are legally married, and are both 18 years of age or older, are domiciled in Florida, and are United States citizens or lawful permanent residents.

Section 19. Section 775.08255, Florida Statutes, is created to read:

775.08255 Offenses by foreign agents; reclassification.—

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

(a) "Agent of a foreign government or designated foreign terrorist organization" means a person acting on behalf of or otherwise employed or controlled by a foreign government or a designated foreign terrorist organization.

(b) "Designated foreign terrorist organization" has the same meaning as in s. 775.32.

(c) "Foreign government" has the same meaning as in s. 286.101.

(2) The penalty for any misdemeanor or felony may be reclassified if the commission of such misdemeanor or felony was for the purpose of benefiting, promoting, or furthering the interests of a foreign government, a designated foreign terrorist organization, or an agent of a foreign government or designated foreign terrorist organization. The reclassification



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is as follows:

(a) A misdemeanor of the second degree is reclassified to a misdemeanor of the first degree.

(b) A misdemeanor of the first degree is reclassified to a felony of the third degree.

(c) A felony of the third degree is reclassified to a felony of the second degree.

(d) A felony of the second degree is reclassified to a felony of the first degree.

(e) A felony of the first degree is reclassified to a life felony.

(3) In addition to any other penalties prescribed by law, a person convicted of a felony of the first degree or a life felony under this section shall be sentenced to a minimum term of imprisonment of 15 years.

Section 20. Section 775.36, Florida Statutes, is created to read:

775.36 Unauthorized enforcement of foreign law.—

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

(a) "Agent of a foreign government or designated foreign terrorist organization" means a person acting on behalf of or otherwise employed or controlled by a foreign government or a designated foreign terrorist organization.

(b) "Designated foreign terrorist organization" has the same meaning as in s. 775.32.

(c) "Foreign government" has the same meaning as in s. 286.101.

(2) Without the approval of the state or the United States, a person may not:



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(a) Prevent another person in this state from violating the laws of a foreign government which are not also the laws of this state or the United States; or

(b) Investigate, monitor, or surveil another person in this state for the purpose of preventing the other person from violating the laws of a foreign government which are not also the laws of this state or the United States.

(3) A person who violates this section commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. However, a person who violates this section for the purpose of benefiting, promoting, or furthering the interests of a foreign government, a designated foreign terrorist organization, or an agent of a foreign government or designated foreign terrorist organization commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 21. Paragraph (a) of subsection (7) of section 282.802, Florida Statutes, is amended to read:

282.802 Government Technology Modernization Council.—

(7)(a) The council shall meet at least quarterly to:

1. Recommend legislative and administrative actions that the Legislature and state agencies as defined in s. 282.318(2) may take to promote the development of data modernization in this state.

2. Assess and provide guidance on necessary legislative reforms and the creation of a state code of ethics for artificial intelligence systems in state government.

3. Assess the effect of automated decision systems or identity management on constitutional and other legal rights,



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duties, and privileges of residents of this state.

4. Evaluate common standards for artificial intelligence safety and security measures, including the benefits of requiring disclosure of the digital provenance for all images and audio created using generative artificial intelligence as a means of revealing the origin and edit of the image or audio, as well as the best methods for such disclosure.

5. Assess the manner in which governmental entities and the private sector are using artificial intelligence with a focus on opportunity areas for deployments in systems across this state.

6. Determine the manner in which artificial intelligence is being exploited by bad actors, including foreign countries of concern as defined in s. 286.101 ~~s. 287.138(1)~~.

7. Evaluate the need for curriculum to prepare school-age audiences with the digital media and visual literacy skills needed to navigate the digital information landscape.

Section 22. This act shall take effect July 1, 2026.

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

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled

An act relating to foreign influence; providing a short title; amending s. 11.045, F.S.; requiring lobbyists to disclose on registration forms whether each principal represented is a foreign country of concern or an entity organized under or having its principal place of business in a foreign country of



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concern; defining the term "foreign country of concern"; amending s. 63.213, F.S.; prohibiting preplanned adoption agreements unless certain conditions are met; amending s. 112.313, F.S.; defining the terms "designated foreign terrorist organization" and "foreign country of concern"; prohibiting specified persons from soliciting or accepting anything of value from a designated foreign terrorist organization, a foreign country of concern, or persons or entities representing such organizations or countries; amending s. 112.3142, F.S.; requiring the Commission on Ethics to adopt certain rules by a specified date; amending ss. 112.3215 and 112.3261, F.S.; requiring lobbyists to disclose on registration forms whether each principal represented is a foreign country of concern or an entity organized under or having its principal place of business in a foreign country of concern; defining the term "foreign country of concern"; amending s. 205.0532, F.S.; authorizing any appropriate tax collector to revoke or refuse to renew business tax receipts of specified individuals, businesses, or entities; authorizing such tax collector or a local governing authority to request a specified sworn affidavit or declaration from such individual, business, or entity; providing criminal penalties; amending s. 287.138, F.S.; revising definitions and defining terms; prohibiting a governmental entity from knowingly entering into certain contracts with foreign sources of concern;



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prohibiting governmental entities from extending and
renewing certain contracts beginning on a specified
date; prohibiting governmental entities from accepting
a bid on, a proposal for, or a reply to, or entering
into, contracts involving information technology or
providing access to an individual's personal
identifying information unless a certain affidavit
signed by an officer or a representative is provided
to the governmental entity beginning on a specified
date; authorizing a governmental entity to enter into,
extend, or renew certain contracts if the Department
of Management Services makes specified written
determinations; requiring the department to submit to
the Governor and Legislature specified written reports
beginning on a specified date; providing
applicability; authorizing the department to create a
specified list and to adopt rules; amending s.
288.816, F.S.; prohibiting certain activities
encouraging affiliations with foreign countries of
concern; requiring the Department of Commerce to
publish and update certain information on its website;
amending s. 288.8175, F.S.; removing the Florida-China
Institute from the list of linkage institutes;
removing an exemption for linkage institutes;
prohibiting a linkage institute from entering into an
agreement or participating in an activity with a
foreign country of concern; amending s. 288.854, F.S.;
authorizing the Governor to suspend certain laws or
rules relating to Cuba for a specified period under



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certain circumstances; prohibiting such suspension from being renewed or extended; prohibiting the Governor from suspending the same laws or rules without express authorization from the Legislature; requiring the Governor to submit to the Legislature certain written recommendations within a specified timeframe; providing for future legislative repeal of certain provisions; amending s. 288.860, F.S.; requiring certain agreements to be terminated by a specified date; amending 316.0078, F.S.; revising the definitions of the terms "controlling interest" and "foreign country of concern"; amending s. 496.404, F.S.; revising the definition of the term "foreign source of concern"; amending s. 692.201, F.S.; revising the definition of the term "foreign country of concern"; creating s. 692.21, F.S.; defining terms; prohibiting certain entities with access to critical infrastructure facilities from entering into certain contracts or agreements with foreign sources of concern; requiring, beginning on a specified date, certain entities to register with the Department of Commerce by a specified date for a specified timeframe; requiring the department to adopt registration forms; providing requirements for such forms; providing civil and criminal penalties; requiring certain entities to provide a signed affidavit to the department attesting that the buyer or transferee of a critical infrastructure facility is not a foreign source of concern; prohibiting



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information technology from a foreign source of concern from being used in critical infrastructure facilities; authorizing a governmental entity or business entity to enter into certain contracts or agreements if the department, in consultation with the Department of Management Services, makes specified written determinations; requiring the Department of Commerce to submit to the Governor and Legislature specified written reports beginning on a specified date; providing applicability; requiring the department to adopt rules; amending s. 742.15, F.S.; prohibiting contracts for gestational surrogacy unless certain conditions are met; creating s. 775.08255, F.S.; defining terms; providing for the reclassification of criminal penalties under certain circumstances; providing a minimum mandatory term of imprisonment; creating s. 775.36, F.S.; defining terms; prohibiting enforcement of certain laws of a foreign government; providing criminal penalties; amending s. 282.802, F.S.; conforming a cross-reference; providing an effective date.

By the Committee on Ethics and Elections; and Senators Grall and Avila

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1 A bill to be entitled
 2 An act relating to foreign influence; providing a
 3 short title; creating s. 106.031, F.S.; defining
 4 terms; requiring agents of foreign countries of
 5 concern and foreign-supported political organizations
 6 to register with the Division of Elections; providing
 7 registration requirements; requiring periodic updates
 8 by such agents and organizations; requiring foreign-
 9 supported political organizations to register with the
 10 division on a specified form created by the division
 11 within a specified timeframe; providing requirements
 12 for such forms; providing penalties; amending s.
 13 112.313, F.S.; defining the terms "designated foreign
 14 terrorist organization" and "foreign country of
 15 concern"; prohibiting specified persons from
 16 soliciting or accepting anything of value from a
 17 designated foreign terrorist organization or a foreign
 18 country of concern; amending s. 112.3142, F.S.;
 19 requiring the Commission on Ethics to adopt certain
 20 rules by a specified date; amending s. 287.138, F.S.;
 21 revising the definition of the term "foreign country
 22 of concern"; defining the term "foreign source of
 23 concern"; prohibiting a governmental entity from
 24 entering into certain contracts with certain entities
 25 owned or partially owned by foreign sources of concern
 26 or affiliated with a foreign country of concern;
 27 prohibiting governmental entities from extending and
 28 renewing certain contracts beginning on a specified
 29 date; prohibiting governmental entities from accepting

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30 a bid on, a proposal for, or a reply to, or entering
 31 into, contracts involving information technology or
 32 providing access to an individual's personal
 33 identifying information unless a certain affidavit
 34 signed by an officer or representative is provided to
 35 the governmental entity; amending s. 288.816, F.S.;
 36 prohibiting certain activities encouraging
 37 affiliations with foreign countries of concern;
 38 requiring the Department of Commerce to publish and
 39 update certain information on its website; amending s.
 40 288.8175, F.S.; deleting the Florida-China Institute
 41 from the list of linkage institutes; deleting an
 42 exemption for linkage institutes; prohibiting a
 43 linkage institute from entering into an agreement or
 44 participating in an activity with a foreign country of
 45 concern; amending s. 288.860, F.S.; requiring that
 46 certain agreements be terminated by a specified date;
 47 amending s. 496.404, F.S.; revising the definition of
 48 the term "foreign source of concern"; amending s.
 49 692.201, F.S.; revising the definition of the term
 50 "foreign country of concern"; creating s. 692.21,
 51 F.S.; defining terms; prohibiting governmental
 52 entities and business entities with access to critical
 53 infrastructure facilities from entering into certain
 54 contracts with foreign sources of concern; requiring
 55 business entities to register with the department by a
 56 specified date; requiring the department to adopt
 57 registration forms; providing requirements for such
 58 forms; providing civil and criminal penalties;

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requiring certain business entities to provide a signed affidavit to the department attesting that the buyer or transferee of a critical infrastructure facility is not a foreign source of concern; prohibiting information technology from a foreign source of concern from being used in critical infrastructure facilities; requiring the department to adopt rules; creating s. 775.08255, F.S.; defining terms; providing for the reclassification of criminal penalties under certain circumstances; providing a mandatory minimum term of imprisonment; creating s. 775.36, F.S.; defining terms; prohibiting enforcement of certain laws of a foreign government; providing criminal penalties; amending s. 316.0078, F.S.; conforming provisions to changes made by the act; providing an effective date.

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

Section 1. This act may be cited as the "Foreign Interference Restriction and Enforcement Act."

Section 2. Section 106.031, Florida Statutes, is created to read:

106.031 Registration of agents and organizations associated with foreign nations.—

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

(a) "Address" includes any address, no matter the location, inside or outside of the United States.

(b) "Agent of a foreign country of concern" means a person:

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1. Who acts as an agent, an employee, a representative, or a servant, or who otherwise acts at the order, at the request, or under the direction or control, of a foreign country of concern;

2. Whose actions are financed, in whole or in part, by a foreign country of concern; and

3. Who engages in political activity.

(c) "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, the State of Qatar, or the Syrian Arab Republic, including any agency of or any other entity under significant control of such foreign country of concern.

(d) "Foreign-supported political organization" means a political party or a domestic partnership, an association, a corporation, an organization, or any other business entity that engages in political activity within this state and that:

1. Has its principal place of business in a foreign country of concern; or

2. Is at least 20 percent beneficially owned by a foreign country of concern, a nonresident alien from a foreign country of concern, or an entity organized under the laws of or having its principal place of business in a foreign country of concern.

(e) "Payment" includes compensation and disbursement made in any form, including, but not limited to, contributions, income, money, tangible property, and intangible property.

(f) "Political activity" means an activity that is performed to:

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117 1. Influence an agency, a public official, or a local
 118 governmental entity;
 119 2. Influence the public in creating, adopting, or changing
 120 state laws or government policies;
 121 3. Support or oppose a candidate for office;
 122 4. Influence the outcome of an election; or
 123 5. Support or oppose any issue.
 124 (2) (a) A person who becomes an agent of a foreign country
 125 of concern must, within 10 days after becoming such an agent,
 126 register with the division. The registration must be signed
 127 under oath.
 128 (b) The division shall create a form for the registration
 129 required under paragraph (a). Such form must require, at a
 130 minimum, all of the following information:
 131 1. The registrant's name.
 132 2. The address of the registrant's primary residence and
 133 all other addresses associated with the registrant.
 134 3. The name and address of the registrant's principal place
 135 of business.
 136 4. A detailed statement describing the nature of the
 137 registrant's business.
 138 5. The name of each foreign country of concern for whom the
 139 registrant is acting, is assuming or purporting to act, or has
 140 agreed to act.
 141 6. A detailed statement describing the nature of the work
 142 and the character of the business or other activities of each
 143 foreign country of concern identified in subparagraph 5.
 144 7. A statement detailing each time the registrant received
 145 a payment from a foreign country of concern identified in

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146 subparagraph 5. within the previous 90 days. The statement must
 147 identify the amount of the payment and the nature of such
 148 payment.
 149 8. The total amount of such payments the registrant has
 150 received within the previous 90 days from a foreign country of
 151 concern identified in subparagraph 5.
 152 9. A detailed statement of every activity the registrant,
 153 or a person acting on behalf of the registrant, is performing,
 154 has performed, or has agreed to perform on behalf of a foreign
 155 country of concern identified in subparagraph 5.
 156 10. If the registrant is also engaged in political activity
 157 on behalf of a person who is not associated with a foreign
 158 country of concern but who is an agent of a foreign country of
 159 concern, include:
 160 a. The name, employer, business and residence addresses,
 161 and, if applicable, nationality of such person;
 162 b. A detailed statement of every activity the registrant,
 163 or a person acting on behalf of the registrant, is performing,
 164 has performed, or has agreed to perform on behalf of such
 165 person; and
 166 c. A statement detailing each time the registrant received
 167 a payment from such person within the previous 90 days. The
 168 statement must identify the amount of the payment and the nature
 169 of the payment.
 170 11. A detailed statement of the payments made by the
 171 registrant during the previous 90 days in connection with
 172 actions taken by the registrant as an agent of, on behalf of, or
 173 in furtherance of the goals of a foreign country of concern or a
 174 person identified in subparagraph 10.

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12. A detailed statement of all payments relating to political activity made by the registrant during the previous 90 days.

(c) A registrant must update the information required under paragraph (b) at least every 90 days.

(d) A person must register as an agent of a foreign country of concern for any period of time he or she was engaged in such position.

(3)(a) On or before January 1, 2027, each foreign-supported political organization must register with the division.

(b) The division shall create a form for the registration required under paragraph (a). The form must require, at minimum, all of the following information:

1. The organization's name and mailing address and the address of any physical office.

2. The names, titles, and addresses of all officers or directors of the organization.

3. A detailed statement of all payments made by the organization that would constitute political activity during the previous calendar year.

4. A detailed statement of all payments made to, or received by, the organization from a foreign country of concern or an agent of a foreign country of concern during the previous calendar year.

(c) An organization must update the information required under paragraph (b) at least every 90 days.

(4) Upon finding a violation of this section, in addition to the remedies provided in ss. 106.265 and 106.27, the Florida Elections Commission may assess the following penalties:

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(a) For any willful violation, a fine of up to \$500 per violation.

(b) For any repeated willful violation, a fine of up to \$2,000 per violation.

Section 3. Subsections (1) and (2) of section 112.313, Florida Statutes, are amended to read:

112.313 Standards of conduct for public officers, employees of agencies, and local government attorneys.—

(1) DEFINITIONS ~~DEFINITION~~.—As used in this section, unless the context otherwise requires, the term:

(a) "Designated foreign terrorist organization" has the same meaning as in s. 775.32.

(b) "Foreign country of concern" has the same meaning as in s. 286.101(1).

(c) "Public officer" includes any person elected or appointed to hold office in any agency, including any person serving on an advisory body.

(2) SOLICITATION OR ACCEPTANCE OF GIFTS.—

(a) A ~~No~~ public officer, an employee of an agency, a local government attorney, or a candidate for nomination or election may not ~~shall~~ solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the public officer, employee, local government attorney, or candidate would be influenced thereby.

(b) A public officer, an employee of an agency, a local government attorney, or a candidate for nomination or election may not solicit or accept anything of value to the recipient,

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including a gift, loan, reward, promise of future employment, favor, or service, for any purpose, including, but not limited to, a gift from a designated foreign terrorist organization or any person or entity representing or acting on behalf of a foreign terrorist organization, or travel costs or any reimbursement for costs of attending a conference or other event, from a foreign country of concern or any of its subdivisions, or from any person or entity representing or acting on behalf of a foreign country of concern or any of its subdivisions.

Section 4. Paragraph (e) of subsection (2) of section 112.3142, Florida Statutes, is amended to read:

112.3142 Ethics training for specified constitutional officers, elected municipal officers, commissioners of community redevelopment agencies, and elected local officers of independent special districts.—

(2)

(e) The commission shall adopt rules establishing minimum course content for the portion of an ethics training class which addresses s. 8, Art. II of the State Constitution and the Code of Ethics for Public Officers and Employees. By November 1, 2026, the commission shall adopt revised rules to supplement the minimum course content, including all of the following:

1. Known efforts by foreign countries of concern to target and influence subnational governments, including, but not limited to, the Chinese Communist Party's United Front strategy.

2. How to identify, recognize, and report suspected foreign influence campaigns.

3. Prohibitions on receiving gifts from foreign countries

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of concern as defined in s. 287.138 or designated foreign terrorist organizations as defined in s. 775.32.

Section 5. Present paragraph (d) of subsection (1) of section 287.138, Florida Statutes, is redesignated as paragraph (e), a new paragraph (d) is added to that subsection, and paragraph (c) of subsection (1) and subsections (2), (3), and (4) of that section are amended, to read:

287.138 Contracting with entities of foreign sources and countries of concern prohibited.—

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

(c) "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity under ~~of~~ significant control of such foreign country of concern.

(d) "Foreign source of concern" has the same meaning as in s. 496.404.

(2) (a) A governmental entity may not knowingly enter into a contract with an entity in which a foreign source of concern has an ownership or controlling interest if the contract would give access to an individual's personal identifying information.

(b) A governmental entity may not enter into a contract for information technology as defined in s. 282.0041, or for any services related to information technology, with an entity in which a foreign source of concern has an ownership or controlling interest or through a third-party seller when the information technology is designed, manufactured, or assembled by any entity in which a foreign source of concern has an

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291 ownership or controlling interest if:

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

294 ~~(b) The government of a foreign country of concern has a~~
 295 ~~controlling interest in the entity; or~~

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

298 (3) Beginning July 1, 2026 2025, a governmental entity may
 299 not extend or renew a contract with an entity listed in
 300 subsection (2) paragraphs (2)(a)-(c) if the contract would give
 301 such entity access to an individual's personal identifying
 302 information.

303 (4)(a) Beginning January 1, 2026 2024, a governmental
 304 entity may not accept a bid on, a proposal for, or a reply to,
 305 or enter into, a contract with an entity which would grant the
 306 entity access to an individual's personal identifying
 307 information or involve information technology unless the entity
 308 provides the governmental entity with an affidavit signed by an
 309 officer or representative of the entity under penalty of perjury
 310 attesting that the entity does not meet any of the criteria in
 311 subsection (2) paragraphs (2)(a)-(c).

312 (b) Beginning July 1, 2026 2025, when an entity extends or
 313 renews a contract with a governmental entity which would grant
 314 the entity access to an individual's personal identifying
 315 information, the entity must provide the governmental entity
 316 with an affidavit signed by an officer or a representative of
 317 the entity under penalty of perjury attesting that the entity
 318 does not meet any of the criteria in subsection (2) paragraphs
 319 (2)(a)-(c).

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320 Section 6. Paragraph (a) of subsection (3) of section
 321 288.816, Florida Statutes, is amended, and subsection (7) is
 322 added to that section, to read:

323 288.816 Intergovernmental relations.—

324 (3) The state protocol officer may:

325 (a) Coordinate and carry out activities designed to
 326 encourage the state and its subdivisions to participate in
 327 sister city and sister state affiliations with foreign countries
 328 and their subdivisions. Such activities may include a State of
 329 Florida sister cities conference. Such activities may not
 330 include encouragement of any affiliations with foreign countries
 331 of concern as defined in s. 288.860 or their subdivisions.

332 (7) The department shall publish on its website, to be
 333 updated quarterly, the following information:

334 (a) A current and accurate list of all foreign consulate
 335 offices.

336 (b) A current and accurate list of all sister city and
 337 sister state affiliations, including a copy of all such
 338 agreements.

339 Section 7. Subsections (3), (4), and (5) of section
 340 288.8175, Florida Statutes, are amended, and a new subsection
 341 (7) is added to that section, to read:

342 288.8175 Linkage institutes between postsecondary
 343 institutions in this state and foreign countries.—

344 (3) Each institute must be co-administered in this state by
 345 a university-community college partnership, ~~as designated in~~
 346 ~~subsection (5)~~, and must have a private sector and public sector
 347 advisory committee. The advisory committee must be
 348 representative of the international education and commercial

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interests of the state and may have members who are native to the foreign country partner. Six members must be appointed by the Department of Education. The Department of Education must appoint at least one member who is an international educator. The presidents, or their designees, of the participating university and community college must also serve on the advisory committee.

(4) The institutes are:

(a) Florida-Brazil Institute (University of Florida and Miami Dade College).

(b) Florida-Costa Rica Institute (Florida State University and Valencia College).

(c) Florida Caribbean Institute (Florida International University and Daytona State College).

(d) Florida-Canada Institute (University of Central Florida and Palm Beach State College).

~~(e) Florida-China Institute (University of West Florida, University of South Florida, and Eastern Florida State College).~~

(e)(f) Florida-Japan Institute (University of South Florida, University of West Florida, and St. Petersburg College).

(f)(g) Florida-France Institute (New College of the University of South Florida, Miami Dade College, and Florida State University).

(g)(h) Florida-Israel Institute (Florida Atlantic University and Broward College).

(h)(i) Florida-West Africa Institute (Florida Agricultural and Mechanical University, University of North Florida, and Florida State College at Jacksonville).

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(i)(j) Florida-Eastern Europe Institute (University of Central Florida and Lake-Sumter State College).

(j)(k) Florida-Mexico Institute (Florida International University and Polk State College).

~~(5) Each institute is allowed to exempt from s. 1009.21 up to 25 full-time equivalent students per year from the respective host countries to study in any of the state universities or community colleges in this state as resident students for tuition purposes. The institute directors shall develop criteria, to be approved by the Department of Education, for the selection of these students. Students must return home within 3 years after their tenure of graduate or undergraduate study for a length of time equal to their exemption period.~~

(7) A linkage institute may not enter into any agreement or participate in any activities with a foreign country of concern as defined in s. 288.860 or any organization in a foreign country of concern.

Section 8. Subsection (2) of section 288.860, Florida Statutes, is amended to read:

288.860 International cultural agreements.—

(2) (a) A state agency, political subdivision, or public school authorized to expend state-appropriated funds or levy ad valorem taxes may not participate in any agreement with or accept any grant from a foreign country of concern or its subdivisions, or any entity controlled by a foreign country of concern.

(b) All agreements under paragraph (a), including, but not limited to, sister city agreements, are terminated as of July 1, 2026, which:

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~~(a) Constrains the freedom of contract of such public entity;~~

~~(b) Allows the curriculum or values of a program in the state to be directed or controlled by the foreign country of concern; or~~

~~(c) Promotes an agenda detrimental to the safety or security of the United States or its residents. Before the execution of any cultural exchange agreement with a foreign country of concern, the substance of the agreement must be shared with federal agencies concerned with protecting national security or enforcing trade sanctions, embargoes, or other restrictions under federal law. If such federal agency provides information suggesting that such agreement promotes an agenda detrimental to the safety or security of the United States or its residents, the public entity may not enter into the agreement.~~

Section 9. Paragraphs (e) and (f) of subsection (14) of section 496.404, Florida Statutes, are amended, and paragraph (g) is added to that subsection, to read:

496.404 Definitions.—As used in ss. 496.401-496.424, the term:

(14) "Foreign source of concern" means any of the following:

(e) An agent, including a subsidiary or an affiliate of a foreign legal entity, acting on behalf of a foreign source of concern; ~~or~~

(f) An entity in which a person, entity, or collection of persons or entities described in paragraphs (a)-(e) has a controlling interest. As used in this paragraph, the term

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"controlling interest" means the possession of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of securities, by contract, or otherwise. A person or an entity that directly or indirectly has the right to vote 25 percent or more of the voting interest of the company or is entitled to 25 percent or more of its profits is presumed to possess a controlling interest; or

(g) A designated foreign terrorist organization as defined in s. 775.32 or an agent acting on behalf of a designated foreign terrorist organization.

Section 10. Subsection (3) of section 692.201, Florida Statutes, is amended to read:

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

(3) "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity under ~~of~~ significant control of such foreign country of concern.

Section 11. Section 692.21, Florida Statutes, is created to read:

692.21 Protection of state critical infrastructure facilities from a foreign source of concern.—

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

(a) "Business entity" has the same meaning as in s. 112.312.

(b) "Foreign source of concern" has the same meaning as in s. 496.404.

(c) "Governmental entity" has the same meaning as in s.

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287.138.

(2) (a) A governmental entity or a business entity constructing, repairing, operating, or otherwise having significant access to a critical infrastructure facility may not enter into a contract or other agreement relating to a critical infrastructure facility in this state with a foreign source of concern if the contract or agreement authorizes the foreign source of concern to directly or remotely access or otherwise control such critical infrastructure facility.

(b) A foreign source of concern may not enter into a contract or other agreement relating to critical infrastructure facilities in this state with a business entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure facilities, or a governmental entity, if the contract or agreement authorizes the foreign source of concern to directly or remotely access or otherwise control such critical infrastructure facility.

(3) (a) Beginning January 1, 2027, a business entity constructing, repairing, operating, or otherwise having significant access to a critical infrastructure facility in this state which entered into a contract or other agreement before July 1, 2026, with a foreign source of concern relating to such critical infrastructure facility must register with the Department of Commerce by January 1 of each year for the remainder of the term of the contract or agreement with the foreign source of concern relating to such critical infrastructure facility. The Department of Commerce shall adopt a registration form that includes all of the following:

1. The name of the business entity constructing, repairing,

582-02284-26

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operating, or otherwise having significant access to critical infrastructure facilities in this state.

2. The address of the critical infrastructure facility the business entity is constructing, repairing, or operating or to which the business entity otherwise has significant access.

3. A description of the specific terms of the contract or agreement which authorizes a foreign source of concern to engage in constructing, repairing, or operating or to otherwise have significant access to such critical infrastructure facility.

(b) A business entity that violates paragraph (a):

1. Is subject to a civil penalty of \$1,000 for each day the violation continues.

2. Commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(4) Before commencing any sale or other transfer of control of a critical infrastructure facility in this state, the business entity selling or otherwise transferring control of such critical infrastructure facility must provide an affidavit, signed under penalty of perjury, to the Department of Commerce attesting that the buyer or transferee is not a foreign source of concern.

(5) Information technology as defined in s. 282.0041 produced or manufactured by a foreign source of concern or a company under the direction or control of a foreign source of concern may not be used in a critical infrastructure facility located in or serving this state.

(6) The Department of Commerce shall adopt rules to implement this section.

Section 12. Section 775.08255, Florida Statutes, is created

582-02284-26

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to read:

775.08255 Offenses by foreign agents; reclassification.-

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

(a) "Agent of a foreign government or designated foreign terrorist organization" means a person acting on behalf of or otherwise employed or controlled by a foreign government or a designated foreign terrorist organization.

(b) "Designated foreign terrorist organization" has the same meaning as provided in s. 775.32.

(c) "Foreign government" has the same meaning as provided in s. 286.101.

(2) The penalty for any misdemeanor or felony may be reclassified if the commission of such misdemeanor or felony was for the purpose of benefiting, promoting, or furthering the interests of a foreign government, a designated foreign terrorist organization, or an agent of a foreign government or designated foreign terrorist organization. The reclassification is as follows:

(a) A misdemeanor of the second degree is reclassified to a misdemeanor of the first degree.

(b) A misdemeanor of the first degree is reclassified to a felony of the third degree.

(c) A felony of the third degree is reclassified to a felony of the second degree.

(d) A felony of the second degree is reclassified to a felony of the first degree.

(e) A felony of the first degree is reclassified to a life felony.

(3) In addition to any other penalties prescribed by law, a

582-02284-26

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person convicted of a felony of the first degree or a life felony under this section shall be sentenced to a minimum term of imprisonment of 15 years.

Section 13. Section 775.36, Florida Statutes, is created to read:

775.36 Unauthorized enforcement of foreign law.-

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

(a) "Agent of a foreign government or designated foreign terrorist organization" means a person acting on behalf of or otherwise employed or controlled by a foreign government or a designated foreign terrorist organization.

(b) "Designated foreign terrorist organization" has the same meaning as provided in s. 775.32.

(c) "Foreign government" has the same meaning as in s. 286.101.

(2) Without the approval of this state or the United States, a person may not:

(a) Prevent another person in this state from violating the laws of a foreign government which are not also the laws of this state or the United States; or

(b) Investigate, monitor, or surveil another person in this state for the purpose of preventing the other person from violating the laws of a foreign government that are not also the laws of this state or the United States.

(3) A person who violates this section commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. However, a person who violates this section for the purpose of benefiting, promoting, or furthering the interests of a foreign government, a designated foreign

582-02284-26

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terrorist organization, or an agent of a foreign government or
designated foreign terrorist organization commits a felony of
the second degree, punishable as provided in s. 775.082, s.
775.083, or s. 775.084.

Section 14. Subsection (1) of section 316.0078, Florida
Statutes, is amended to read:

316.0078 Prohibition on contracting for camera systems of
vendors of foreign countries of concern.—

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

(a) "Controlling interest" has the same meaning as in s.
287.138. and

(b) "Foreign country of concern" means the People's
Republic of China, the Russian Federation, the Islamic Republic
of Iran, the Democratic People's Republic of Korea, the Republic
of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian
Arab Republic, including any agency of or any other entity under
significant control of such foreign country of concern ~~have the~~
~~same meanings as in s. 287.138(1).~~

Section 15. This act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 5, 2026

I respectfully request that **Senate Bill #1178**, relating to Foreign Influence, 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". The signature is written in a cursive style.

Senator Erin Grall
Florida Senate, District 29

The Florida Senate

APPEARANCE RECORD

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

3/2/26

Meeting Date

1178

Bill Number or Topic

802316

Amendment Barcode (if applicable)

Appropriations

Committee

Name

Chris Carmody

Phone

Address

301 E. Pine St.

Email

Street

Orlando

FL

32801

City

State

Zip

Speaking:

☐

For

☒

Against

☐

Information

OR

~~Waive Speaking:~~

☐

In Support

☒

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

Academy of Adoption & Assisted Reproduction Attorneys

☐

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

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

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

S-001 (08/10/2021)

3/2/26

Meeting Date

Appropriations

Committee

Name

Adam Basford

Phone

8502247173

Address

516 N Adams St

Email

abasford@aif.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:

Associated Industries of Florida

☐

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

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

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

5-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

1178

Bill Number or Topic

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

The Florida Senate

APPEARANCE RECORD

SB 1178

3-2-2026

Meeting Date

Appropriations

Committee

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

Bill Number or Topic

Name

Marine Macklin

Phone

202-930-7284

Amendment Barcode (if applicable)

5400229-6444

Address

900 14th St NW Suite 1200

Street

Email

MOM@americanglobalstrategies.com

Washington

City

DC

State

20006

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 1192

INTRODUCER: Appropriations Committee and Senators Polsky and Arrington

SUBJECT: Customer Service Callback Queues

DATE: March 4, 2026

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. <u>White</u>	<u>McVaney</u>	<u>GO</u>	Favorable
2. <u>Griffin</u>	<u>Nortelus</u>	<u>ATD</u>	Favorable
3. <u>Griffin</u>	<u>Sadberry</u>	<u>AP</u>	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1192 amends the Florida Customer Service Standards Act to create a pilot program for callback queues. Under the pilot program, the Department of Commerce must use a telephone system for certain calls. Under the program, a customer will have the option to be placed in a callback queue to receive a call at a later designated time, while maintaining his or her place in line, as opposed to waiting on hold. On or before December 31, 2027, the Department of Commerce must submit a report on the effectiveness of the pilot program, any suggested changes to the program, and a recommendation as to whether the program should be continued. The report is submitted to the President of the Senate and Speaker of the House of Representatives.

The Department of Commerce currently employs a callback queue system, which costs the department \$329,940 annually. **See Section V. Fiscal Impact Statement.**

The bill takes effect July 1, 2026.

II. Present Situation:

Florida Customer Service Standards Act

The Florida Customer Service Standards Act (Act) directs executive branch agencies and the Public Service Commission to practice and employ certain measures to improve customer

service.¹ For purposes of this Act, a “customer” means any person who uses or requests services or information provided by a state executive agency or who is required by statute to interact with the agency.² The measures include:

- Designating an employee or employees to facilitate the resolution of customer complaints and developing a process for review by upper-level management for customer complaints not resolved by the designated employees.
- Promptly providing available information and accurate responses to questions and requests for assistance.
- Acknowledging receipt of a telephonic or electronic question or request by the end of the next business day.
- Providing local or toll-free telephonic or electronic access either through a centralized complaint-intake call center or directly to a departmental employee or employees designated to resolve customer complaints.
- Developing customer satisfaction measures and systems for tracking complaints and resolutions.
- Providing annual reports showing statistical data on customer complaints, resolutions, and satisfaction.
- Including in strategic plans a program outline or goal for customer service.
- Conducting interdepartmental discussions on methods of improving customer service.³

The Act requires each state agency to comply with its presently-available resources but does not apply penalties for an agency’s failure to comply.⁴

Voice Mail Systems

There is no statutory requirement for state agencies to employ a voice mail system or a telephone menu options system. If an entity uses a telephone menu options, however, it must provide the caller with access to a nonelectronic attendant.⁵ Moreover, state employees must answer the phone—as opposed to relying on voice mail systems—when the employee is at his or her regularly assigned work station, unless (a) the telephone is in use, (b) the voice mail system provides the caller with access to a nonelectronic attendant, or (c) the voice mail system automatically transfers the call to a nonelectronic attendant.⁶

The agency head is required to ensure compliance with these provisions.⁷

For purposes of these requirements, the term “state agency” includes executive and judicial branch entities of the state.⁸ It does not include the Public Service Commission.

The level of compliance by state agencies is unknown.

¹ Section 23.30, F.S.

² Section 20.30(3)(a), F.S.

³ Section 23.30(4), F.S.

⁴ Section 23.30(6), (7), F.S.

⁵ Section 110.1082(2), F.S.

⁶ Section 110.1082(1), F.S.

⁷ Section 110.1082(3), F.S.

⁸ Section 110.107(30), F.S.

Current Callback Queue System Used by the Department of Commerce

In July 2024, the Department of Commerce implemented a “Mindful Virtual Hold/Callback” system for the Reemployment Assistance program. This system allows claimants to request a callback rather than remain on hold while waiting to speak to a representative. Approximately 60-65 percent of eligible calls choose to use this option when it is available. The Department of Commerce stated that the system resulted in “substantial improvement in claimant access and system efficiency.” In particular, the Department cited an average wait time of 31 minutes and 26 seconds, a “measurable improvement in customer service” when compared to the previous wait time of up to 90 minutes.

- A. The Department of Commerce currently absorbs the costs of this system in its current budget.⁹

III. Effect of Proposed Changes:

Section 1 establishes a pilot program under the Florida Customer Service Standards Act to determine the effectiveness of state agency use of a callback queue. The term “callback queue” is defined to mean “a system that allows a caller to leave a telephone number at which he or she can be reached at a later time rather than receiving no answer to his or her call or remaining on hold.”

Under the pilot program, the Department of Commerce must use a callback queue for calls from claimants concerning reemployment assistance.

Calls must be returned in the order in which they were received and by the end of the next business day.

On or before December 31, 2027, the Department of Commerce must submit a report to the President of the Senate and the Speaker of the House of Representatives. The report must include information on the effectiveness of the pilot program, any suggested changes to the program, and a recommendation as to whether the program should be continued or expanded.

Section 2 provides that this act shall take 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, or reduce the percentage of state tax shared with counties or municipalities.

⁹ Dept. of Commerce, *SB 1192 Agency Analysis* (Feb. 1, 2026) (on file with Senate Committee on Governmental Oversight and Accountability).

B. Public Records/Open Meetings Issues:

None identified.

C. Trust Funds Restrictions:

None identified.

D. State Tax or Fee Increases:

None identified.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None identified.

B. Private Sector Impact:

None identified.

C. Government Sector Impact:

The Department of Commerce indicated that it currently contracts with a vendor to provide a callback queue system; the contract costs the department \$329,940 annually.¹⁰ The Department of Commerce was able to absorb these costs within its existing budget.

VI. Technical Deficiencies:

The current language at lines 25-26 may be unclear. This part of the bill directs the Department of Commerce to utilize the callback queue for “calls from claimants concerning reemployment assistance.” It is difficult for an agency, prior to answering the call, to determine who a caller is and why he or she is calling. Accordingly, it is difficult for a department participating in the pilot program to know whether an incoming call falls within the purview of the pilot program, thereby being entitled to a callback queue. To ease the administration of the pilot program, the Legislature may wish to specify particular phone lines to be part of the pilot program. For instance, the Department of Commerce currently has callback queue system for the Reemployment Assistance Program.

In the alternative, if the Legislature does not indicate the specific phone lines included in the pilot program, it may wish to provide that the bill applies exclusively to call centers and customer service lines, as opposed to all employee’s private office lines.

¹⁰ *Id.*

VII. Related Issues:

The Department of Commerce currently uses a callback queue system. The department, however, is not currently required to submit the report on the program required in the bill or to return calls within the timeframe required in the bill (within one business day after receiving the phone call). The department indicates it generally currently returns calls within the time frame required in the bill (an average wait time of 31 minutes and 26 seconds).

VIII. Statutes Affected:

This bill substantially amends section 23.30 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 Appropriations on March 2, 2026:

The committee substitute removed the Department of Children and Families from the pilot program.

- B. **Amendments:**

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Polsky) recommended the following:

Senate Amendment (with title amendment)

Delete lines 19 - 33

and insert:

(5) PILOT PROGRAM.—

(a) As used in this subsection, the term "callback queue" means a system that allows a caller to leave a telephone number at which he or she can be reached at a later time rather than receiving no answer to his or her call or remaining on hold.

(b) A pilot program is implemented to require a callback



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queue to be used by the Department of Commerce in returning
calls from claimants concerning reemployment assistance.

(c) All calls must be returned, in the order in which
received, by the end of the next business day.

(d) On or before December 31, 2027, the Department of
Commerce must submit a report to the

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

And the title is amended as follows:

Delete lines 5 - 8

and insert:

the Department of Commerce to use a callback queue for
returning certain calls; requiring calls to be
returned in a specified manner; requiring the
department to report specified information

By Senator Polsky

30-01016B-26

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1 A bill to be entitled
 2 An act relating to customer service callback queues;
 3 amending s. 23.30, F.S.; defining the term "callback
 4 queue"; establishing a pilot program to require
 5 specified agencies to use a callback queue for
 6 returning certain calls; requiring calls to be
 7 returned in a specified manner; requiring pilot
 8 program participants to report specified information
 9 to the Legislature by a certain date; providing an
 10 effective date.
 11
 12 Be It Enacted by the Legislature of the State of Florida:
 13
 14 Section 1. Present subsections (5) through (8) of section
 15 23.30, Florida Statutes, are redesignated as subsections (6)
 16 through (9), respectively, and a new subsection (5) is added to
 17 that section, to read:
 18 23.30 Florida Customer Service Standards Act.—
 19 (5) PILOT PROGRAMS.—
 20 (a) As used in this subsection, the term "callback queue"
 21 means a system that allows a caller to leave a telephone number
 22 at which he or she can be reached at a later time rather than
 23 receiving no answer to his or her call or remaining on hold.
 24 (b) A pilot program is implemented to require a callback
 25 queue to be used:
 26 1. By the Department of Commerce in returning calls from
 27 claimants concerning reemployment assistance.
 28 2. By the Department of Children and Families in returning
 29 calls concerning public benefits and services.

Page 1 of 2

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

30-01016B-26

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30 (c) All calls must be returned, in the order in which
 31 received, by the end of the next business day.
 32 (d) On or before December 31, 2027, any department that
 33 participates in the pilot program must submit a report to the
 34 President of the Senate and the Speaker of the House of
 35 Representatives which includes information concerning the
 36 effectiveness of the pilot program, any suggested changes to the
 37 program, and a recommendation as to whether the program should
 38 be continued or expanded.
 39 Section 2. This act shall take effect July 1, 2026.

Page 2 of 2

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



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

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

SELECT COMMITTEE:

Joint Select Committee on Collective Bargaining

SENATOR TINA SCOTT POLSKY

30th District

February 12, 2026

Chairman Ed Hooper
Committee on Appropriations
201 The Capitol
404 S. Monroe Street
Tallahassee, FL 32399-1100

Chairman Hooper,

I respectfully request that you place SB 1192 Customer Service Callback Queues on the agenda of the Committee on Appropriations at your earliest convenience.

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

Kindest Regards,

Senator Tina S. Polsky
Florida Senate, District 30

cc: Tim Sadberry, Staff Director
Alicia Kalista, Administrative Assistant

REPLY TO:

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

Senate's Website: www.flsenate.gov

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.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1266

INTRODUCER: Appropriations Committee on Transportation, Tourism, and Economic Development;
Commerce and Tourism Committee; and Senator Calatayud

SUBJECT: Cybersecurity Internships

DATE: February 27, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Dike</u>	<u>McKay</u>	<u>CM</u>	<u>Fav/CS</u>
2.	<u>Griffin</u>	<u>Nortelus</u>	<u>ATD</u>	<u>Fav/CS</u>
3.	<u>Griffin</u>	<u>Sadberry</u>	<u>AP</u>	<u>Favorable</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1266 creates the Cybersecurity Experiential Learning Program within the Department of Commerce (department). Under the bill, the department must partner with the University of South Florida's (USF) Center for Cybersecurity program (Cyber Florida) to design the program for implementation at other universities and institutions in the state to increase the state's cybersecurity workforce. The bill outlines annual reporting requirements and provides sunset provisions for the Legislature's sustenance of the Cybersecurity Experiential Learning Program.

This bill may have an indeterminate impact on the department and institutions of higher education relating to the creation of the program. However, the creation of the program is subject to appropriation. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

NCAE-C Programs

The National Security Agency (NSA) launched the National Centers of Academic Excellence in 1999 to promote education and research in cybersecurity, produce professionals with cyber expertise[to] expand the cybersecurity workforce, and reduce vulnerabilities in national

infrastructure.¹ The National Centers of Academic Excellence in Cybersecurity (NCAE-C) program is managed by the NSA's National Cryptologic School, alongside other federal partners.² To receive a designation under this program, institutions must complete validation of their programs of study.³

Academic institutions may choose from three designations under the NCAE:

- The cyber defense (CAE-CD) designation is awarded to regionally accredited schools offering cybersecurity degrees and certificates.
- The cyber research (CAE-R) designation is awarded to Department of Defense schools, military academies with PhD programs, and other institutions with specific doctoral programs.
- The cyber operations (CAE-CO) designation applies to technical higher education programs focused on computer science, computer engineering, and/or electrical engineering.⁴

As of February 2024, NCAE had over “480 designated institutions across 48 states, the District of Columbia, and Puerto Rico. There are 153 associate programs and degrees, 243 Cyber Defense bachelors and graduate programs, 20 Cyber Operations bachelors and graduate programs, and 80 institutions hold the Research designation.”⁵

The following Florida institutions hold one of the three designations:

- Florida Agricultural and Mechanical University.
- Florida Atlantic University.
- Florida Memorial University.
- Florida State University.
- Eastern Florida State College.
- University of Central Florida.
- University of Florida.
- University of North Florida.
- University of South Florida.
- University of West Florida (UWF).
- Florida Institute of Technology.
- Florida International University.
- Jacksonville University.
- Miami Dade College.
- Nova Southeastern University.
- Pensacola State College.
- St. Petersburg College.⁶

¹ Nat'l Ctr. of Acad. Excellence in Cybersecurity, *Program Book*, available at https://www.caecommunity.org/_files/ugd/fd9f4b_4248a3d4def84805adcc9d1a3bf78fd4.pdf (last visited Jan. 21, 2026).

² Nat'l Sec. Agency, *National Centers of Academic Excellence in Cybersecurity*, available at <https://www.nsa.gov/Academics/Centers-of-Academic-Excellence/> (last visited Jan. 21, 2026).

³ *Id.*

⁴ *Id.*

⁵ Nat'l Ctr. of Acad. Excellence in Cybersecurity, *supra* note 1.

⁶ *Id.*

Cyber Florida Pilot Program

In 2014, the Legislature created Cyber Florida in s. 1004.444, F.S., within USF to make Florida a national leader in cybersecurity and expand the state cybersecurity workforce. The goals of Cyber Florida include creating jobs in the state's cybersecurity industry, facilitating research and development initiatives with, forming partnerships with major military installations, attracting cybersecurity companies to Florida, and sharing cybersecurity knowledge, resources, and training.⁷

In 2024, the Legislature updated s. 1004.444, F.S., allowing Cyber Florida to assist any state-funded initiatives that relate to: (1) cybersecurity training, professional development, and education for state and local government employees; and (2) increasing the cybersecurity effectiveness of the state and local government technology platforms and infrastructure.

As part of this pilot at USF, Cyber Florida hosts:

- The Aligned Realistic Cyberattack Simulation (ARCS) Range, which provides cyber and IT training for Florida public sector employees.⁸
- Firstline, which provides public sector training in cybersecurity.⁹
- The Critical Infrastructure Program, which provides free access to cybersecurity risk assessments and resources for specific organizations.¹⁰
- Operation K12, to include cybersecurity education in K-12 classrooms across the state with lesson plans, labs, and more.¹¹
- CyberWorks, to provide cybersecurity training with a focus on transitioning veterans, military spouses, first responders, and career-changers.¹²
- CyberHub, an online platform with free tools and education resources, including a protected online laboratory for students and researchers to investigate software without compromising the security of other devices.¹³
- The Security Operations Center Apprentice Program (SOCAP), which is a paid internship program for USF students studying cybersecurity.¹⁴
- PhaseZero, which fills critical gaps in funding for cybersecurity entrepreneurs and fosters research partnerships.¹⁵
- The Cybersecurity and Information Technology Pathways Program, partnered with the Florida Department of Education, to fund projects which prepared students for cybersecurity and IT jobs.¹⁶
- The National Institute of Standards and Technology (NIST) Ramps Program, which partners with organizations and laboratories to provide students with hands-on training.¹⁷

⁷ Cyber Florida, *Our Mission*, available at <https://cyberflorida.org/about/> (last visited Jan. 21, 2026).

⁸ Cyber Florida, *The ARCS Range*, available at <https://cyberflorida.org/arcs-range/> (last visited Jan. 21, 2026).

⁹ Cyber Florida, *Firstline*, available at <https://cyberflorida.org/firstline/> (last visited Jan. 21, 2026).

¹⁰ Cyber Florida, *Critical Infrastructure Program*, available at <https://cyberflorida.org/cip/> (last visited Jan. 21, 2026).

¹¹ Cyber Florida, *Operation K12*, available at <https://cyberflorida.org/opk12/> (last visited Jan. 21, 2026).

¹² Cyber Florida, *CyberWorks*, available at <https://cyberflorida.org/cyberworks/> (last visited Jan. 21, 2026).

¹³ Cyber Florida, *CyberHub*, available at <https://cyberflorida.org/florida-cyberhub/> (last visited Jan. 21, 2026).

¹⁴ Cyber Florida, *SOCAP*, available at <https://cyberflorida.org/socap/> (last visited Jan. 21, 2026).

¹⁵ Cyber Florida, *phaseZero*, available at <https://cyberflorida.org/phasezero/> (last visited Jan. 21, 2026).

¹⁶ Cyber Florida, *Cyber/IT Pathways*, available at <https://cyberflorida.org/pathways/> (last visited Jan. 21, 2026).

¹⁷ Cyber Florida, *NIST Ramps Program*, available at <https://cyberflorida.org/nist-ramps-program/> (last visited Jan. 21, 2026).

At UWF, the pilot program hosts workforce development and community outreach programs, including:

- The National Cybersecurity Workforce Development Program, CyberSkills2Work, which provides free education and career development for eligible transitioning military, first responders, veterans, military spouses, and government personnel.¹⁸
- The UWF Florida Cybersecurity Training Program, which provides free training for eligible university, college, K-12, state, county, and city employees.¹⁹
- The UWF Cyber Skills Exercise, an intensive cybersecurity one-day training program eligible transitioning military members, first responders, veterans, military spouses, and State, Local, Tribal, and Territorial (SLTT) government personnel.²⁰
- The Cybersecurity Education in Critical Infrastructure Protection (CECIP) Project, which develops training courses with hands-on, laboratory experiences to offer workforce development certificates.²¹
- GenCyber Experience Camps, which provide K-12 students and teachers with introductory cybersecurity education.²²
- Cybersecurity Ambassadors, which sends UWF students to K-12 schools in Northwest Florida to teach cybersecurity expertise and awareness.²³
- CyberPatriot, which is a cybersecurity competition for middle and high school students.²⁴
- The 502 Project, partnered with other Florida higher education institutions, which connects high school students with professional mentors and teaches them new cybersecurity skills.²⁵
- ITEN Wired, which is a cybersecurity and IT conference for industry leaders, educators, entrepreneurs.²⁶
- Women in CyberSecurity, which is a Florida affiliate group supporting the recruitment, retention, and advancement of women in cybersecurity.²⁷

III. Effect of Proposed Changes:

Findings

Section 1 creates s. 1004.0983, F.S., explaining that the state’s cybersecurity workforce is essential to state and national security, multi-sector state economic resilience, and the protection

¹⁸ UWF, *Center for Cybersecurity*, available at <https://uwf.edu/centers/center-for-cybersecurity/> (last visited Jan. 21, 2026) (“The University of West Florida Center for Cybersecurity has been awarded a \$9.6 million grant from the U.S. Department of War CIO Cyber Academic Engagement Office to expand the National Cybersecurity Workforce Development Program. The program will prepare over 4,688 professionals over the next two years for 24 industry certifications and 41 emerging cybersecurity and AI work roles through 62 new educational pathways.”).

¹⁹ *Id.*

²⁰ *Id.* (“These exercises are part of the National Cybersecurity Workforce Development Program, CyberSkills2Work®, and funded by the Cybersecurity and Infrastructure Security Agency (CISA)”).

²¹ *Id.*

²² UWF Center for Cybersecurity, *Community Outreach*, available at <https://uwf.edu/centers/center-for-cybersecurity/community-outreach/> (last visited Jan. 21, 2026).

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

of critical infrastructure while also providing that the state has a persistent shortfall in its supply of qualified cybersecurity professionals. Section 1 provides additional findings related to the two successful pilot programs at USF and the University of West Florida which demonstrated the feasibility and effectiveness of combining cybersecurity internships, federal security clearance readiness, and CompTIA Security+ certification as critical elements of workforce development for students and to the need for an expanded capacity to develop a more qualified cybersecurity workforce through experiential learning opportunities in cybersecurity for students.

Cybersecurity Program

In subsection (2), the bill creates the Cybersecurity Experiential Learning Program (program) within the department, subject to legislative appropriation. The department must use ten percent of appropriated funds in the 2026-2027 fiscal year to enter into an agreement with Cyber Florida to collaborate in designing the program for implementation at a minimum of one state university or Florida College institution during the 2026-27 school year.

Under subsection (3) of the bill, Cyber Florida is to determine and report back to the department on the following:

- The specific internship opportunities and experiential learning opportunities that the US Department of Commerce's NIST believes will be the most impactful on a student's job placement in high-demand cybersecurity roles in Florida;
- A review of best practices for cybersecurity experiential learning opportunities in place at other NCAE-C institutions that can be replicated at institutions within Florida;
- A recommendation for the minimum qualifications a student should possess or meet prior to enrolling in an experiential learning program;
- A listing of the state universities and Florida College System institutions that wish to participate in the program, along with an expected number of students to be served at each institution during the fiscal year; and
- A listing of employers in the state with openings, or anticipated openings, in cybersecurity roles or in other industries that require a security clearance.

Subsection (3) also provides that Cyber Florida is to make a recommendation to the department for the disbursement of available funds for the program to maximize statewide impact, improve job placement, and support economic growth in Florida's defense industry.

Subsection (4) provides that in each fiscal year that funds have been appropriated, or if the program has an unspent balance from a prior appropriation which can continue to support program operations, the department may:

- Implement the program and directly disburse funds to participating institutions; and
- Enter into a mutually agreed upon multi-year contract with Cyber Florida to administer the program statewide and disburse available funding to participating institutions.

The bill further provides that any disbursement made under subsection (4) is subject to approval by the Department.

Reporting

Beginning January 15, 2028, and on January 15 following the completion of a fiscal year in which the program operates, the department must submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must include:

- The number of students participating at each institution as well as a listing of the specific outcomes, skills, or credentials earned by students through the program which contributed to job placement;
- The number of students who have completed an experiential learning opportunity and have subsequently entered federal, state, or private sector cybersecurity jobs in the state, and the number of students provided security clearance preparation training for other fields;
- Recommendations for program improvements, including potential integration with other state workforce initiatives and potentially expanding the program to workforces supporting national security.

Effective Date

The bill sets forth an effective date of July 1, 2026.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

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

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The creation of the Cybersecurity Experiential Internship and Clearance Readiness Program within the Department of Commerce will have a significant, negative yet indeterminate impact on the department. Additionally, there may be increased costs for institutions of higher education to implement this bill. However, the creation of the program is subject to appropriation.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 1004.0983 of the Florida Statutes.

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

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

CS/CS by Appropriations Committee on Transportation, Tourism, and Economic Development on February 4, 2026:

The committee substitute provides Legislative findings related to cybersecurity workforce and directs the Department of Commerce, subject to legislative appropriation, to create and operate the Cybersecurity Experiential Learning Program beginning in Fiscal Year 2026-2027, requires a portion of initial funding be used to contract with Cyber Florida at the University of South Florida to design and plan the program, sets out planning, reporting, and administrative duties (including identifying internship opportunities and participating institutions and authorizing how funds may be disbursed), and specifies an expiration date of July 1, 2032.

CS by Commerce and Tourism on January 21, 2026:

The amendment removes the section appropriating \$11.9 million to the Department of Commerce to implement the bill.

B. Amendments:

None.

By the Appropriations Committee on Transportation, Tourism, and Economic Development; the Committee on Commerce and Tourism; and Senator Calatayud

606-02503-26

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A bill to be entitled

An act relating to cybersecurity internships; creating s. 1004.0983, F.S.; providing legislative findings; requiring the Department of Commerce to create the Cybersecurity Experiential Learning Program in a specified fiscal year, subject to legislative appropriation; requiring the department use a certain percentage of appropriated funds in a specified fiscal year to enter into an agreement with Cyber Florida at the University of South Florida to collaborate in designing the program for implementation and plan for expansion of the program; requiring Cyber Florida to report specified information to the department; providing the department with authorized uses of unspent funds; requiring that disbursement of funds is subject to department approval; requiring the department to submit an annual report by a specified date to the Governor and the Legislature; providing requirements for the report; providing for the expiration of the program; providing an effective date.

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

Section 1. Section 1004.0983, Florida Statutes, is created to read:

1004.0983 Cybersecurity Experiential Learning Program.—

(1) (a) The Legislature finds that this state's cybersecurity workforce is essential to state and national

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security, multi-sector state economic resilience, and the protection of critical infrastructure. The Legislature also finds that this state has a persistent shortfall in its supply of qualified cybersecurity professionals relative to the workforce demand, and that the growing integration of digital technologies in all economic sectors will exacerbate this workforce gap in the future.

(b) The Legislature further finds that there are examples of successful cybersecurity experiential learning opportunities across the state university system, including an experiential cyber program at the University of South Florida, and a combined security clearance readiness and cyber certification program at the University of West Florida. Both institutions are designated as National Security Agency National Centers of Academic Excellence in Cybersecurity (NCAE-C).

(c) The Legislature further finds that expansion of experiential learning opportunities in cybersecurity for students at state universities and Florida College System institutions is likely to accelerate the development of a highly qualified cybersecurity workforce. This expanded capacity to develop a more qualified cybersecurity workforce is necessary to close existing gaps and keep pace with the growth in demand for cybersecurity talent within this state.

(2) (a) Subject to legislative appropriation, the Department of Commerce shall create and operate the Cybersecurity Experiential Learning Program in the 2026-2027 fiscal year.

(b) The Department of Commerce must use 10 percent of the appropriated funds in the 2026-2027 fiscal year to enter into an agreement with Cyber Florida within the University of South

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Florida to collaborate in designing the program for implementation at a minimum of one state university or Florida College System institution during the 2026-2027 school year, and to plan for the expansion of the program to additional sites and additional national security-focused workforces in future years.

(3) Cyber Florida shall determine and report back to the department on the following:

(a) The specific internship opportunities and experiential learning opportunities that the United States Department of Commerce's National Institute of Standards and Technology (NIST) believes will be the most impactful on a student's job placement in high-demand cybersecurity roles in the state, including an assessment of when completing a federal security clearance readiness program will assist certain students in job placement in this state.

(b) A review of best practices for cybersecurity experiential learning opportunities in place at other NCAE-C-designated institutions within and outside of this state which can be replicated at institutions across this state.

(c) A recommendation for the minimum qualifications a student should possess or meet prior to enrolling in an experiential learning program.

(d) A listing of the state universities and Florida College System institutions that wish to participate in the program, along with an expected number of students to be served by the program at each participating institution during the fiscal year. Cyber Florida shall make a recommendation to the department for the disbursement of available funds for the program to maximize statewide impact, improve students' job

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placement, and support economic growth in this state's defense industry.

(e) A listing of employers in this state with openings or anticipated openings in cybersecurity roles or other industries that perform work that requires a security clearance.

(4)(a) In each fiscal year in which funds are appropriated to the program, or where an unspent balance for the program remains from a prior year's appropriation which can continue to support the program's operations, the Department of Commerce may:

1. Implement the program and directly disburse the funds to participating institutions. Such funds may be used to cover the cost of students going through the security clearance process; or

2. Enter into a mutually agreed upon multi-year contract with Cyber Florida to administer the program statewide and disburse the available funding to participating institutions.

(b) Any disbursement of funds under this subsection is subject to approval by the department.

(5) Beginning January 15, 2028, and on each January 15 following the completion of a fiscal year in which the program operates, the Department of Commerce shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives which includes all the following:

(a) The number of students participating in experiential learning opportunities at each participating institution and a listing of the specific outcomes, skills, or credentials, including security clearances, earned by students through the program which contributed to job placement.

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117 (b) The number of students who completed an experiential
118 learning opportunity through the program who subsequently
119 reported entering federal, state, or private sector
120 cybersecurity positions in the state, and the number of students
121 provided security clearance preparation training for other
122 fields.

123 (c) Recommendations for program improvements, including
124 potential integration with other state workforce initiatives and
125 potentially expanding the program to workforces supporting
126 national security such as defense manufacturing and aerospace
127 related engineering fields.

128 (6) This section expires on July 1, 2032.

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



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 5, 2026

I respectfully request that **Senate Bill #1266**, relating to Cybersecurity Internships, be placed on the:

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

A handwritten signature in black ink that reads "Alexis Calatayud".

Senator Alexis Calatayud
Florida Senate, District 38

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1362

INTRODUCER: Appropriations Committee on Transportation, Tourism, and Economic Development
Committee; Transportation Committee; and Senator Harrell

SUBJECT: Vertiports

DATE: February 27, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Vickers	TR	Fav/CS
2.	Griffin	Nortelus	ATD	Fav/CS
3.	Griffin	Sadberry	AP	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1362 relates to vertiports and includes the following provisions:

- Amends the definition of the term “qualifying projects” for purposes of public-private partnerships to include vertiports and charging stations.
- Incorporates vertiport-related infrastructure into commercial service airport infrastructure preservation programs.
- Authorizes the Florida Department of Transportation (FDOT) to fund projects at public vertiports.

The bill does not appear to have a significant fiscal impact on the private or governmental sectors. See Section V., Fiscal Impact Section.

This bill takes effect July 1, 2026.

II. Present Situation:

Advanced Air Mobility

Federal law defines the term “Advanced Air Mobility” (AAM) as a transportation system that transports people and property by air between two points in the United States using aircraft with

advanced technologies, including electric aircraft or electric vertical take-off and landing aircraft, in controlled and uncontrolled airspace.¹

AAM encompasses new technologies and business models designed to enable small, low-altitude aircraft operations at increasing scale and decreasing cost. It introduces new aircraft designs, including manned and unmanned aircraft with novel flight characteristics, control schemes, modes of operation and propulsion sources, that can fly quietly and efficiently.² AAM also includes air traffic management solutions to manage high volumes of aircraft safely, securely, and efficiently at low altitudes. Finally, AAM incorporates new and modified infrastructure that integrates flight networks into the hearts of communities.³

AAM in Florida

The Florida Department of Transportation (FDOT) is laying the groundwork to build an intercity AAM “Aerial Highway Network” connecting major metropolitan areas across Florida.⁴ In addition to performing research and development at its SunTrax test facility, the FDOT is developing custom curriculums to establish unique requirements for licensing to safely operate within the AAM Network.⁵

SunTrax, the FDOT’s research facility in Polk County, has been designated as the research and development testing hub of the Florida’s AAM program.⁶ Early development phases of vertiport demonstration will consist of a passenger terminal, at-grade vertiports, access roads with vehicle staging, eVTOL parking positions and charging station, and research and development hangar.⁷

In 2025, the Legislature created s. 332.15, F.S., relating to advanced air mobility to require the FDOT to:

- Address the need for vertiports, advanced air mobility, and other advances in aviation technology in its statewide aviation system plan⁸ and its work program.⁹
- Designate, within the FDOT, a subject matter expert on AAM to serve as a resource for local jurisdictions navigating advances in aviation technology.
- Conduct a review of airport hazard zone regulations.
- Provide coordination and assistance for the development of a viable AAM system plan in this state.¹⁰

¹ United States Department of Transportation (USDOT), *The Advanced Air Mobility National Strategy, A Bold Policy Vision for 2026-2036*, December 17, 2025, p. 1. Available at: https://www.transportation.gov/sites/dot.gov/files/2025-12/AAM%20National%20Strategy%202025_508c_251201.pdf (last visited January 12, 2026).

² *Id.*

³ SunTrax Air, <https://suntraxfl.com/suntrax-air/> (last visited January 28, 2026).

⁴ Florida Department of Transportation, *From the Ground to the Skies: Florida’s Aerial Highway Network*, November 2025. Available at https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/aviation/aam/fdot-2025-advanced-mobility_strategy.pdf?sfvrsn=19eb551c_1 (last visited January 28, 2026).

⁵ *Id.*

⁶ Central Florida Development Council, SunTrax Named Florida’s Home for Advanced Air Mobility, Positioning Polk as Statewide Innovation Leader, November 18, 2025. <https://www.cfdc.org/suntrax-named-floridas-home-for-advanced-air-mobility-positioning-polk-as-statewide-innovation-leader/> (last visited January 28, 2026).

⁷ SunTrax Air, <https://suntraxfl.com/suntrax-air/> (last visited January 28, 2026).

⁸ The statewide aviation system plan is required under s. 332.006(1), F.S.

⁹ FDOT’s work program is developed, adopted, and amended pursuant to s. 339.135, F.S.

¹⁰ This is in coordination with the Florida Department of Commerce.

Vertiports

Generally, a vertiport is an area of land, water, or structure used, or intended to be used, to support the landing, takeoff, taxiing, parking, and storage of powered-lift aircraft or other aircraft that vertiport design and performance standards established by the FAA can accommodate.¹¹

For the purposes of the Supply Chain Innovation Grant Program,¹² the term “vertiport” is defined to mean a system or infrastructure with supporting services and equipment used for landing, ground handling, and takeoff of manned or unmanned vertical takeoff and landing aircraft.¹³

Public Private Partnerships

Section 255.065, F.S., authorizes public-private partnerships between a responsible public entity¹⁴ and a private entity¹⁵ for a qualifying project. That statute provides requirements for project approval and agreements related to the partnership. For purposes of these partnerships, the term “qualifying project” is defined to mean:

- A facility or project that serves a public purpose, including any ferry or mass transit facility, vehicle parking facility, airport or seaport facility, rail facility or project, fuel supply facility, oil or gas pipeline, medical or nursing care facility, recreational facility, sporting or cultural facility, or educational facility or other building or facility that is used or will be used by a public educational institution, or any other public facility or infrastructure that is used or will be used by the public at large or in support of an accepted public purpose or activity;
- An improvement of a building that will be principally used by a public entity or the public at large or that supports a service delivery system in the public sector;
- A water, wastewater, or surface water management facility or other related infrastructure; or
- For projects that involve a facility owned or operated by the governing board of a county, district, or municipal hospital or health care system, or projects that involve a facility owned or operated by a municipal electric utility, only those projects that the governing board designates as qualifying projects.¹⁶

Florida Airport Development and Assistance Act

The Florida Airport Development and Assistance Act¹⁷ provides the FDOT’s statutory duties regarding aviation development and assistance. These duties include providing financial and

¹¹ Federal Aviation Administration, *Advanced Air Mobility Infrastructure*, https://www.faa.gov/airports/new_entrants/aam_infrastructure (last visited Jan. 27, 2026).

¹² The Supply Chain Innovation Grant Program is administered by the Florida Department of Commerce.

¹³ Section 288.102(3)(d), F.S.

¹⁴ Section 255.065(1)(j), F.S., defines the term “responsible public entity” to mean a county, municipality, school district, special district, or any other political subdivision of the state; a public body corporate and politic; or a regional entity that serves a public purpose and is authorized to develop or operate a qualifying project.

¹⁵ Section 255.065(1)(g), F.S., defines the term “private entity” to mean any natural person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, nonprofit entity, or other private business entity.

¹⁶ Section 255.065(1)(i), F.S.

¹⁷ Sections 332.003-332.007, F.S.

technical assistance to airports¹⁸ and encouraging the maximum allocation of federal funds to local airport projects.¹⁹

Each commercial service airport²⁰ must establish and maintain a comprehensive airport infrastructure program to ensure the ongoing preservation of airport infrastructure and facilities in safe and serviceable condition.²¹ For purposes of this program, the term “airport infrastructure” means the facilities, systems, and structural components of an airport necessary for the safe and efficient movement of people and goods.²²

Beginning November 1, 2025, and annually thereafter, each commercial service airport must certify to FDOT that it has established and maintains a comprehensive airport infrastructure program, related to infrastructure investment and preventative maintenance.²³

Subject to the availability of appropriated funds, the FDOT is authorized to participate in the capital cost of certain public-use airport and aviation development projects. The local match requirement varies based on the project type and availability of federal funds.²⁴

III. Effect of Proposed Changes:

Section 1 amends s. 255.065(1)(i), F.S., to add vertiports and charging systems to the definition of the term of “qualifying project” for purposes of public-private partnerships.

Section 2 amends s. 332.007(2)(v), F.S., to include vertiport pads, safety zones, charging systems, grid upgrades, and resilience energy systems to the definition of the term “airport infrastructure” for purposes of commercial service airport comprehensive infrastructure programs.

The bill also authorizes the FDOT, when federal funds are not available, to fund to 100 percent of the project cost for a public vertiport. If federal funds are available, the FDOT may fund up to 80 percent of the nonfederal share of such project costs.

Section 3 provides that this bill takes effect July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

¹⁸ Section 332.006(4), F.S.

¹⁹ Section 332.006(8), F.S.

²⁰ Section 322.0075(1)(a), F.S., defines the term “commercial service airport” to mean an airport providing commercial service, including large, medium, small, and nonhub airports as classified by the Federal Aviation Administration.

²¹ Section 332.007(2)(c), F.S.

²² Section 332.007(2)(c), F.S.

²³ Section 332.007(2)(c), F.S.

²⁴ Section 332.007(7), 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 identified.

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

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 255.065 and 332.007.

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 Transportation, Tourism, and Economic Development on February 18, 2026:

The committee substitute removes the following provisions from the bill:

- A short title.
- Sovereign immunity protections for certain vertiports.
- Authorization for the FDOT to provide funding to private vertiports.
- A requirement that FDOT create a vertiport siting code.
- A definition for the term “vertiport.”
- A preemption to the state related to the regulation of vertiports.

CS by Transportation on February 3, 2026:

The committee substitute:

- Removes from the bill provisions creating a sales tax exemption for electric vertical takeoff and landing aircraft and related items.
- Replaces the liability protections for vertiport operators contained in the bill with a provision providing that vertiports collocated with a public airport are entitled to sovereign immunity to the same extent as the public airport operator.
- Provides that the sovereign immunity provision expires July 1, 2036, unless reenacted by the Legislature.

- B. **Amendments:**

None.

By the Appropriations Committee on Transportation, Tourism, and Economic Development; the Committee on Transportation; and Senator Harrell

606-03020-26

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1 A bill to be entitled
 2 An act relating to vertiports; amending s. 255.065,
 3 F.S.; revising the definition of the term "qualifying
 4 project"; amending s. 332.007, F.S.; revising the
 5 definition of the term "airport infrastructure";
 6 authorizing the Department of Transportation to fund
 7 up to specified percentages of public vertiport
 8 project costs; providing an effective date.
 9
 10 Be It Enacted by the Legislature of the State of Florida:
 11
 12 Section 1. Paragraph (i) of subsection (1) of section
 13 255.065, Florida Statutes, is amended to read:
 14 255.065 Public-private partnerships.—
 15 (1) DEFINITIONS.—As used in this section, the term:
 16 (i) "Qualifying project" means:
 17 1. A facility or project that serves a public purpose,
 18 including, but not limited to, any ferry or mass transit
 19 facility, vehicle parking facility, airport or seaport facility,
 20 rail facility or project, fuel supply facility, oil or gas
 21 pipeline, medical or nursing care facility, recreational
 22 facility, sporting or cultural facility, or educational facility
 23 or other building or facility that is used or will be used by a
 24 public educational institution, or any other public facility or
 25 infrastructure that is used or will be used by the public at
 26 large or in support of an accepted public purpose or activity;
 27 2. An improvement, including equipment, of a building that
 28 will be principally used by a public entity or the public at
 29 large or that supports a service delivery system in the public

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30 sector;
 31 3. A water, wastewater, or surface water management
 32 facility or other related infrastructure; ~~or~~
 33 4. Notwithstanding any provision of this section, for
 34 projects that involve a facility owned or operated by the
 35 governing board of a county, district, or municipal hospital or
 36 health care system, or projects that involve a facility owned or
 37 operated by a municipal electric utility, only those projects
 38 that the governing board designates as qualifying projects
 39 pursuant to this section; or
 40 5. Vertiports and charging systems.
 41 Section 2. Paragraph (c) of subsection (2) of section
 42 332.007, Florida Statutes, is amended, and paragraph (e) is
 43 added to subsection (6) of that section, to read:
 44 332.007 Administration and financing of aviation and
 45 airport programs and projects; state plan.—
 46 (2)
 47 (c) Each commercial service airport as defined in s.
 48 332.0075 shall establish and maintain a comprehensive airport
 49 infrastructure program to ensure the ongoing preservation of
 50 airport infrastructure and facilities in safe and serviceable
 51 condition. For purposes of this paragraph, the term "airport
 52 infrastructure" means the facilities, systems, and structural
 53 components of an airport necessary for the safe and efficient
 54 movement of people and goods. The term includes vertiport pads,
 55 safety zones, charging systems, grid upgrades, and resilience
 56 energy systems. Beginning November 1, 2025, and annually
 57 thereafter, each commercial service airport shall provide a
 58 certification to the department, in a manner prescribed by the

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department, that it has established and maintains a comprehensive airport infrastructure program. The comprehensive airport infrastructure program report, and related documents and records, must be open to inspection by the department and maintained by the airport for at least 5 years. The comprehensive airport infrastructure program must, at a minimum, include all of the following:

1. Identification of airport infrastructure subject to inspection and the schedule for the completion of such inspections, taking into consideration the age, type, intended use, and criticality of the infrastructure to uninterrupted commercial or cargo operations.

2. A preventative maintenance program for routine maintenance of airport infrastructure, for both commercial and cargo operations.

3. A plan to complete any necessary repairs to, or rehabilitation or reconstruction of, airport infrastructure, including prioritization and anticipated timeframe for completion of the work.

4. A progress report of inspections and their outcomes, preventative maintenance, and previously identified repair to, or rehabilitation or reconstruction of, airport infrastructure. The progress report must include any changes in timeline for completion, changes in cost estimates, and reasons any inspection, preventative maintenance, or repair or rehabilitation did not take place.

(6) Subject to the availability of appropriated funds, the department may participate in the capital cost of eligible public-use airport and aviation development projects in

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accordance with the following rates, unless otherwise provided in the General Appropriations Act or the substantive bill implementing the General Appropriations Act:

(e) When federal funds are not available, the department may fund up to 100 percent of the project costs of a public vertiport. If federal funds are available, the department may fund up to 80 percent of the nonfederal share of such project costs.

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



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Appropriations Committee on Higher
Education, *Chair*
Health Policy, *Vice Chair*
Appropriations
Appropriations Committee on Health
and
Human Services
Children, Families, and Elder Affairs
Education Postsecondary
Environment and Natural Resources
Rules

SENATOR GAYLE HARRELL
31st District

February 25, 2026

Senator Ed Hooper, Chair
Senate Committee on Appropriations
201 The Capitol
Tallahassee, FL 32399

Dear Chair Hooper,

I respectfully request that SB 1362 – Advanced Air Mobility, be placed on the next available agenda for the Committee on Appropriations Policy.

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

Thank you,

A handwritten signature in blue ink that reads "Gayle".

Senator Gayle Harrell
Senate District 31

Cc: Tim Sadberry, Staff Director
Alicia Kalista, Committee Administrative Assistant

REPLY TO:

☐ 312 SE Denver Avenue, Stuart, Florida 34994 (772) 221-4019 FAX: (888) 263-7895
☐ 404 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5031

Senate's Website: www.flsenate.gov

BEN ALBRITTON
President of the Senate

JASON BRODEUR
President Pro Tempore

3/2/2026

Meeting Date

The Florida Senate
APPEARANCE RECORD

1362

Bill Number or Topic

Appropriations

Committee

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

Name

Colton Madill

Phone

850-766-7983

Address

136 S. Bronough St.

Street

Email

cmadill@flchamber.com

Tallahassee, FL

City

State

32301

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:

Florida Chamber of Commerce



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

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

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

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
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Meeting Date

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Phone

Address

Email

Street

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

SKY DRIVE

☐

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

Deliver both copies of this form to
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3/2/2026
Meeting Date

Appropriations
Committee

1362
Bill Number or Topic

Name Daphnee Sainvil

Amendment Barcode (if applicable)
Phone 305-343-2104

Address 205 S. Adams St.
Street
Tallahassee FL 32301
City State Zip

Email dsainvil@fortlauderdale.com

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking:



In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

City of Fort Lauderdale

☐ 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 of the Florida Senate](#)

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1602

INTRODUCER: Appropriations Committee on Transportation, Tourism, and Economic Development; Military and Veterans Affairs, Space, and Domestic Security Committee; and Senator Wright

SUBJECT: Housing for Veterans

DATE: February 27, 2026 REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Proctor	Proctor	MS	Fav/CS
2. Griffin	Nortelus	ATD	Fav/CS
3. Griffin	Sadberry	AP	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1602 creates the “Homes for Veterans Property Management Incentive Pilot Program” (pilot program) within the Florida Housing Finance Corporation (FHFC) for Broward, Escambia, Hillsborough, and Santa Rosa counties.

The bill directs the FHFC, in consultation with the local public housing authority and case managers assigned to veterans, to establish and oversee the Vacancy Relief and Risk Mitigation Trust Fund, the applications for such trust fund, the document requirements, and all processes of the pilot program.

The pilot program provides that landlords may apply to contracted program administrators to receive funding from the Vacancy Relief and Risk Mitigation Trust fund to:

- Hold a vacant dwelling for a veteran for up to 45 days; and
- Cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money up to \$2,000.

The bill requires contracted program administrators to work with the FHFC to implement the pilot program.

Funding provided from the pilot program is on a first-come, first-served basis, and the FHFC is directed to adopt rules for the pilot program.

Implementation of the pilot program is subject to annual legislative appropriations and may have an indeterminate fiscal impact on private and government sectors. See Section V., Fiscal Impact Statement.

The bill provides an effective date of July 1, 2026, if CS/CS/SB 1604 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

II. Present Situation:

United States Department of Housing and Urban Development

The United States Department of Housing and Urban Development (HUD) administers programs that provide housing and community development, assistance and also works to ensure fair and equal housing opportunity.¹

Veterans Affairs Supportive Housing program

The HUD-Veterans Affairs Supportive Housing (VASH) program combines the HUD's Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the United States Department of Veterans Affairs (VA). The VA provides these services for participating veterans at VA medical centers, community-based outreach clinics, through VA contractors, or through other VA designated entities.²

Each year, the HUD and the VA collaboratively award HUD-VASH vouchers based on current geographic need and public housing agency (PHA) performance. Since 2017, the allocation process for awarding HUD-VASH vouchers has changed to allow PHAs to self-identify their interest in the program. The HUD publishes an annual HUD-VASH Registration of Interest Notice containing detailed instructions that PHAs must follow if they are interested in receiving a portion of the available HUD-VASH vouchers. PHAs must have the support of a partnering VA facility and meet any utilization threshold requirements to be eligible for an award. After the registration period has closed, the HUD and the VA use a formula to determine relative need, and ultimately invite eligible PHAs to apply for a specific number of HUD-VASH vouchers. The associated funding awarded for HUD-VASH vouchers is determined by the actual average per unit cost at each PHA.³

There is at least one PHA currently administering HUD-VASH in each of the 50 states, in the District of Columbia, Puerto Rico and Guam.⁴ In Florida there are 97 PHA's working with the

¹ USA.GOV, U.S. Department of Housing and Urban Development (HUD), <https://www.usa.gov/agencies/u-s-department-of-housing-and-urban-development#:~:text=The%20Department%20of%20Housing%20and,equal%20housing%20opportunity%20for%20all>. (last visited Jan. 22, 2026).

² U.S. Department of Housing and Urban Development, HUD-Veterans Affairs Supportive Housing (HUD-VASH), <https://www.hud.gov/helping-americans/housing-choice-vouchers-homeless-veterans> (last visited Jan. 22, 2026).

³ *Id.*

⁴ *Id.*

HUD.⁵ HUD-VASH vouchers are renewed based on actual PHA leasing along with all other HCVs.⁶

Generally, the HUD-VASH program is administered in accordance with regular HCV and project based voucher program requirements.⁷ However, the 2008 Consolidated Appropriations Act⁸ allows the HUD to waive or specify alternative requirements for any provision of any statute or regulation affecting the HCV program in order to effectively deliver and administer HUD-VASH voucher assistance.

United States Department of Veterans Affairs

The VA runs programs that benefit veterans and members of their families. It offers education opportunities and rehabilitation services and provides compensation payments for disabilities or death related to military service, home loan guaranties, pensions, burials, and health care that includes the services of nursing homes, clinics, and medical centers.⁹

VA Outreach & Case Management

Community Resource and Referral Centers (CRRCs) are places where veterans who are experiencing homelessness or risk of homelessness can connect to stable housing and supportive services. CRRCs are collaborative, multi-agency programs that provide access to housing, health care, and a wide variety of services that veterans may need. These community-based store front operations are located in areas of the city accessible to veterans and services are provided by both the VA and community partner staff.¹⁰

The National Center on Homelessness Among Veterans (NCHAV) developed this “one-stop shopping” homeless service model. Starting in 2012, the NCHAV staff and affiliated colleagues at the University of South Florida tested the program in 29 strategically located sites across the country. In 2015, the programs were successfully transitioned to the VA Homeless Programs Office operations. Today CRRCs are an important part of the VA’s community outreach efforts and a primary access point for veterans experiencing homelessness or risk.¹¹

Department of Veterans’ Affairs

The Florida Department of Veterans’ Affairs was created to provide assistance to all former, present, and future members of the Armed Forces of the United States and their spouses and dependents in preparing claims for and securing compensation, hospitalization, career training,

⁵ U.S. Department of Housing and Urban Development, Local Public Housing Authority, *PHA Contact Information*, available at https://www.hud.gov/sites/dfiles/PIH/documents/PHA_Contact_Report_FL.pdf (last visited Jan. 22, 2026).

⁶ U.S. Department of Housing and Urban Development, HUD-Veterans Affairs Supportive Housing (HUD-VASH), <https://www.hud.gov/helping-americans/housing-choice-vouchers-homeless-veterans> (last visited Jan. 22, 2026).

⁷ 24 CFR Sections 982 and 983.

⁸ Public Law 110-161.

⁹ USA.GOV, U.S. Department of Veterans Affairs, available at <https://www.usa.gov/agencies/u-s-department-of-veterans-affairs> (last visited Jan. 23, 2026).

¹⁰ U.S. Department of Veterans Affairs, National Center on Homelessness Among Veterans (NCHAV), available at <https://www.va.gov/homeless/nchav/index.html> (last visited Jan. 23, 2026).

¹¹ *Id.*

and other benefits or privileges to which they are, or may become entitled to under federal or state law or regulation by reason of their service in the Armed Forces of the United States.¹²

Veterans in Florida

Florida has the second largest population of veterans in the nation after Texas.¹³ Nearly 1.4 million veterans reside in the state, which is 12 percent of the state's population of adults aged 18 and over.¹⁴

Section 1.01(14), F.S., defines “veteran” to mean a person who served in the active military, naval, or air service and who was discharged or released under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the VA on individuals discharged or released with other than honorable discharges.

Homelessness Among Veterans

According to the Florida Council on Homelessness, reducing homelessness among veterans is an ongoing policy focus for local, state, and federal agencies.¹⁵ Veterans experience homelessness at a higher rate than non-veterans, and the risk factors for veteran homelessness include substance abuse, mental health, poverty, and social isolation.¹⁶ Preliminary 2025 data indicates the count of veterans experiencing homelessness in Florida decreased significantly from 2019 to 2025, and has seen a year over year decrease of 18.65 percent from 2024 to 2025, with data indicating that approximately 1,898 veterans were experiencing homelessness in Florida in 2025.¹⁷

Programs specifically aimed at reducing the number of veterans experiencing homelessness include the HUD-VASH program vouchers and the VA Supportive Services for Veteran Families.^{18,19}

Florida Housing Finance Corporation

The FHFC is a public-private entity created by the Legislature in 1997 to assist in providing a range of affordable housing opportunities for Floridians.²⁰ The FHFC is a corporation held by the

¹² Section 292.05(1), F.S.

¹³ Dept. of Veterans' Affairs, Our Veterans, available at <https://www.floridavets.org/our-veterans/> (last visited Jan. 22, 2026).

¹⁴ *Id.*

¹⁵ Florida's Council on Homelessness, *Florida's Council on Homelessness Annual Report 2025*, available at (last visited Jan. 22, 2026).

¹⁶ National Coalition for Homeless Veterans, *Risk Factors for Homelessness Among US Veterans*, available at [https://www.nchv.org/images/uploads/RB%2095%20-%20Risk%20Factors%20for%20Homelessness%20Among%20US%20Veterans%20FINAL%20\(2\).pdf](https://www.nchv.org/images/uploads/RB%2095%20-%20Risk%20Factors%20for%20Homelessness%20Among%20US%20Veterans%20FINAL%20(2).pdf) (last visited Jan. 22, 2026).

¹⁷ Florida's Council on Homelessness, *Florida's Council on Homelessness Annual Report 2025*, available at <https://www.myflfamilies.com/sites/default/files/2025-07/Florida%20Council%20on%20Homelessness%20Annual%20Report%202025.pdf> (last visited Jan. 22, 2026).

¹⁸ U.S. Department of Housing and Urban Development, HUD-Veterans Affairs Supportive Housing (HUD-VASH), <https://www.hud.gov/helping-americans/housing-choice-vouchers-homeless-veterans> (last visited Jan. 22, 2026).

¹⁹ U.S. Department of Veterans Affairs Supportive, Supportive Services for Veteran Families, <https://www.va.gov/homeless/ssvf/index.html> (last visited Jan. 22, 2026).

²⁰ Chapter 97-167, Laws of Fla. From 1980 through 1997, the former Florida Housing Finance Agency, placed within the former Department of Community Affairs, performed similar duties. See ch. 80-161, and ch. 97-167, s. 7, Laws of Fla.

state and housed within the Department of Commerce. The FHFC is a separate budget entity and its operations are not subject to control, supervision, or direction by the Department of Commerce.²¹

The goal of the FHFC is to increase the supply of safe, affordable housing for individuals and families with very low to moderate incomes by stimulating investment of private capital and encouraging public and private sector housing partnerships.²² As a financial institution, the FHFC administers federal and state resources to finance the development and preservation of affordable rental housing and assist homebuyers with financing and down payment assistance.²³

The FHFC administers several affordable housing programs, to include all the following:

- State Apartment Incentive Loan Program.
- Multifamily Mortgage Revenue Bonds Program.
- Florida Affordable Housing Guarantee Program.
- Low Income Housing Tax Credit Program.
- State Housing Initiatives Partnership Program.
- Predevelopment Loan Program.
- Foreclosure Counseling Program.
- Affordable Housing Catalyst Program.
- Homebuyer Loan Program.
- Downpayment Assistance Program.
- Homeownership Pool Program.²⁴

III. Effect of Proposed Changes:

The bill creates s. 83.684, F.S., to be cited as the “Homes for Veterans Property Management Incentive Pilot Program.”

The bill defines the following terms:

- “Corporation” to mean the Florida Housing Finance Corporation.
- “HUD-Veterans Affairs Supportive Housing program” to mean a program that combines the HUD’s housing choice voucher rental assistance for homeless veterans with case management and clinical services provided by the VA.
- “Pilot program” to mean the Homes for Veterans Property Management Incentive Pilot Program.
- “Veteran” to have the same meaning as in s. 1.01(14), F.S.²⁵

²¹ Section 420.504(3), F.S.

²² See ss. 420.502 and 420.511, F.S.

²³ Florida Housing Finance Corporation, *Overview of Florida Housing Finance Corporation*, 1 (July 2017) available at <https://www.floridahousing.org/docs/default-source/aboutflorida/august2017/august2017/tab8.pdf> (last visited Jan. 22, 2026).

²⁴ *Id.*

²⁵ Section 1.01(14), F.S., defines the term “veteran” to mean, in part, “a person who served in the active military, naval, or air service and who was discharged or released under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the United States Department of Veterans Affairs on individuals discharged or released with other than honorable discharges.”

The bill establishes the pilot program in Broward, Escambia, Hillsborough, and Santa Rosa Counties to provide landlords with incentives to lease eligible dwelling units to veterans who are participating in the HUD-Veterans Affairs Supportive Housing program, and provides that implementation of the pilot program is subject to annual legislative appropriations.

The bill directs the FHFC, in consultation with the local public housing authority and case managers assigned to veterans by the VA, to establish and oversee the Vacancy Relief and Risk Mitigation Trust Fund the applications for such trust fund, the document requirements, and all processes of the pilot program. The bill specifies that the FHFC's responsibilities are limited to program administration, including rulemaking, oversight, and establishing and executing contracts with one or more local public housing authorities, contracted program administrators, or other public or nonprofit entities that have experience administering the HUD-Veterans Affairs Supportive Housing program, supportive housing, or landlord mitigation programs. Funds in the Vacancy Relief and Risk Mitigation Trust Fund are to be administered and distributed locally by such contracted entities to a contracted program administrator. The bill specifies that the FHFC is not responsible for maintaining eligibility files, tenancy records, or other case-level documentation for the HUD-Veterans Affairs Supportive Housing program. Such functions are to be maintained by the contracted program administrator.

The bill provides that the FHFC may rely on certifications, determinations, and documentation provided by public housing authorities, the VA, providers of Supportive Services for Veteran Families, continuums of care, or other entities responsible for administering or supporting the functions of the HUD-Veterans Affairs Supportive Housing program. Such reliance on these entities satisfies the FHFC's oversight and evaluation responsibilities of the functions, activities, and outcomes for the pilot program.

The bill provides that a landlord who enters into a rental agreement with an eligible veteran may apply to the contracted program administrator to receive funding from the Vacancy Relief and Risk Mitigation Trust Fund. One purpose of the Vacancy Relief and Risk Mitigation Trust Fund is to allow a landlord to hold a dwelling unit for a period of time, and still be compensated for the time that the dwelling unit is vacant, until the veteran is able to move into the dwelling unit. The Vacancy Relief and Risk Mitigation Trust Fund provides proportional rent to eligible landlords for a period of up to 45 days after the date the dwelling unit becomes available or until the actual date that the veteran moves into the dwelling unit, whichever is sooner.

The bill also provides that if a veteran moves out of the dwelling unit during the first 12 months of a year-to-year rental agreement or after the expiration of a rental agreement for any duration, the landlord may apply to the contracted program administrator to receive funding from the Vacancy Relief and Risk Mitigation Trust Fund to cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money up to \$2,000.

To apply for the Vacancy Relief and Risk Mitigation Trust Fund for the purpose of vacancy relief, a landlord must submit all required documentation to the contracted program administrator within 60 days after the veteran moves into the dwelling unit. To apply for the Vacancy Relief and Risk Mitigation Trust Fund for the purpose of property damaged caused by a veteran tenant, a landlord must submit all required documentation to the contracted program administrator within 60 days after the veteran moves out of the dwelling unit. A landlord may apply, for the

purpose of covered damages, to the Vacancy Relief and Risk Mitigation Trust Fund only if the landlord previously applied to the Vacancy Relief and Risk Mitigation Trust Fund for vacancy relief. After the veteran vacates a dwelling unit, the landlord must provide the contracted program administrator a copy of the move-out checklist with current photos of the dwelling unit and a copy of the written notice provided to the veteran in accordance with s. 83.49(3)(a), F.S.²⁶

For both vacancy and relief purposes, the case manager assigned to the veteran must assist the contracted program administrator by facilitating trust fund requests from landlords and documentation compliance. The FHFC must establish in rule a timeframe and required documentation to be submitted by the contracted program administrator and landlord. Required documentation for confirmation of eligibility for reimbursement and oversight must be maintained by the entity responsible for case management or rental assistance in the HUD-Veteran Affairs Supportive House Program.

The bill provides that the FHFC may rely on certifications, determinations, and documentation provided by public housing authorities, the VA, providers of Supportive Services for Veteran Families, continuums of care, or other entities responsible for administering or supporting the functions of the HUD-Veterans Affairs Supportive Housing program, and that the FHFC's reliance on such certifications, determinations, and documentation satisfies the FHFC's oversight and evaluation responsibilities of the functions, activities, and outcomes for the pilot program.

The FHFC must award funds on a first-come, first-served basis. The FHFC may suspend acceptance of applications when available appropriations are fully obligated. The FHFC must notify contracted program administrators if intake of applications is suspended and when intake of applications is resumed.

The bill directs the FHFC to adopt rules to implement the pilot program.

The bill provides an effective date of July 1, 2026, if CS/CS/SB 1604 or similar 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 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:

Article I, s. 24(c) of the State Constitution requires a two-thirds vote of the members present and voting for final passage of a bill creating or expanding an exemption to the

²⁶ If the landlord intends to impose a claim on the deposit, the landlord must, within 30 days after the termination of the rental agreement, provide the tenant written notice by certified mail to the tenant's last known mailing address or by e-mail in accordance with s. 83.505 of his or her intention to impose a claim on the deposit and the reason for imposing the claim.

public records disclosure requirements. The bill does not create or expand an exemption. Thus, the bill does not require an extraordinary vote for enactment.

C. Trust Funds Restrictions:

None identified.

D. State Tax or Fee Increases:

None identified.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None identified.

B. Private Sector Impact:

The bill may have an indeterminate positive fiscal impact for landlords who participate in the pilot program.

C. Government Sector Impact:

The bill may have an indeterminate, though likely insignificant, negative fiscal impact on the FHFC for administration of the pilot program should it be implemented. However, implementation of the pilot program is subject to annual legislative appropriations.

VI. Technical Deficiencies:

None identified.

VII. Related Issues:

None identified.

VIII. Statutes Affected:

This bill creates section 83.684 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 Transportation, Tourism, and Economic Development on February 18, 2026:**

The committee substitute:

- Removes the definition of “ledger”. The bill adds to the definitions “HUD-Veterans Affairs Supportive House program” to mean the program that combines the HUD housing choice voucher rental assistance for homeless veterans with case management and clinical services provided by the VA.
- Changes references to the trust funds which are combined into a single trust fund, the Vacancy Relief and Risk Mitigation Trust Fund, in the linked bill CS/CS/SB 1604.
- Removes the provisions providing a minimum set of documents landlords must provide to receive funds from the Vacancy Relief and Risk Mitigation Trust Fund. Instead, the FHFC is granted authority to adopt rules for such documents and processes.
- Limits the FHFC responsibilities to program administration, including rulemaking, oversight, and establishing and executing contracts with one or more local public housing authorities, contracted program administrators, or other public or nonprofit entities that have experience administering the HUD-VA Supportive Housing Program, supportive housing, or landlord mitigation programs to perform intake, documentation review, and claim verification functions. These contracted entities will administer the funds in the Vacancy Relief and Risk Mitigation Trust Fund locally. Contracted program administrators are required to maintain all documentation required and provide the FHFC with a certification of eligibility, tenancy dates, and verified costs within the timeframe established by the FHFC by rule.
- Requires landlords to apply to the contracted program administrator instead of the FHFC.
Allows the FHFC to suspend acceptance of applications when available appropriations are fully obligated.

CS by Military and Veterans Affairs, Space, and Domestic Security on January 26, 2026:

- Modifies the bill to reference the United States Department of Veterans Affairs, and not the Florida Department of Veterans’ Affairs.
- Directs the Florida Housing Finance Corporation to work in consultation with partners, instead of in conjunction with partners.
- Links the bill to CS/SB 1604 to provide an effective date of July 1, 2026, if CS/SB 1604 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

B. Amendments:

None.

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

By the Appropriations Committee on Transportation, Tourism, and Economic Development; the Committee on Military and Veterans Affairs, Space, and Domestic Security; and Senator Wright

606-03021-26

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1 A bill to be entitled
 2 An act relating to housing for veterans; creating s.
 3 83.684, F.S.; providing a short title; defining terms;
 4 establishing the Homes for Veterans Property
 5 Management Incentive Pilot Program in certain
 6 counties, subject to legislative appropriation;
 7 requiring the Florida Housing Finance Corporation, in
 8 consultation with other entities and persons, to
 9 establish and oversee specified aspects of the pilot
 10 program; providing the responsibilities of the
 11 corporation for the pilot program; requiring
 12 contracted program administrators to maintain certain
 13 functions of the pilot program; authorizing certain
 14 landlords to apply to a contracted program
 15 administrator to request funding from the Vacancy
 16 Relief and Risk Mitigation Trust Fund under certain
 17 circumstances; providing the purpose of such trust
 18 fund; requiring a landlord to submit to the contracted
 19 program administrator required documentation within a
 20 specified time period to apply for the trust fund;
 21 requiring certain case managers to assist the
 22 contracted program administrator; requiring the
 23 contracted program administrator to maintain and
 24 provide certain documentation to the corporation;
 25 requiring the entity responsible for certain functions
 26 to maintain any supporting documentation; authorizing
 27 the corporation to rely on certifications,
 28 determinations, and documentation provided by
 29 specified entities; authorizing a landlord to apply

Page 1 of 6

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

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30 for up to a specified dollar amount from the trust
 31 fund; providing requirements to apply for the trust
 32 fund; providing that funding for the pilot program is
 33 awarded on a first-come, first-served basis;
 34 authorizing the corporation to suspend the acceptance
 35 of applications under certain circumstances; requiring
 36 specified notice; requiring the corporation to adopt
 37 rules; providing a contingent effective date.
 38
 39 Be It Enacted by the Legislature of the State of Florida:
 40
 41 Section 1. Section 83.684, Florida Statutes, is created to
 42 read:
 43 83.684 Homes for Veterans Property Management Incentive
 44 Pilot Program.—
 45 (1) This section may be cited as the "Homes for Veterans
 46 Property Management Incentive Pilot Program Act."
 47 (2) As used in this section, the term:
 48 (a) "Corporation" means the Florida Housing Finance
 49 Corporation.
 50 (b) "HUD-Veterans Affairs Supportive Housing program" means
 51 a program that combines the United States Department of Housing
 52 and Urban Development's housing choice voucher rental assistance
 53 for homeless veterans with case management and clinical services
 54 provided by the United States Department of Veterans Affairs.
 55 (c) "Pilot program" means the Homes for Veterans Property
 56 Management Incentive Pilot Program.
 57 (d) "Veteran" has the same meaning as in s. 1.01(14).
 58 (3) The Homes for Veterans Property Management Incentive

Page 2 of 6

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

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Pilot Program is established in Broward, Escambia, Hillsborough, and Santa Rosa Counties to provide eligible landlords with incentives to lease eligible dwelling units to veterans who are participating in the HUD-Veterans Affairs Supportive Housing program. Implementation of this pilot program is subject to annual legislative appropriation. The corporation, in consultation with the local public housing authority and case managers assigned to veterans by the United States Department of Veterans Affairs, shall establish and oversee the Vacancy Relief and Risk Mitigation Trust Fund, the applications for such trust fund, the document requirements, and all processes of the pilot program. The corporation's responsibilities under this section are limited to program administration, including rulemaking, oversight, and establishing and executing contracts with one or more local public housing authorities, contracted program administrators, or other public or nonprofit entities that have experience administering the HUD-Veterans Affairs Supportive Housing program, supportive housing, or landlord mitigation programs to perform intake, documentation review, and claim verification functions to locally administer the funds in the Vacancy Relief and Risk Mitigation Trust Fund and to distribute funding to the contracted program administrator for payment of approved reimbursement requests. The corporation is not responsible for maintaining eligibility files, tenancy records, or other case-level documentation for the HUD-Veterans Affairs Supportive Housing program. Such functions shall be maintained by the contracted program administrator.

(4) (a) A landlord who enters into a rental agreement with an eligible veteran may apply to a contracted program

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administrator to request funding from the Vacancy Relief and Risk Mitigation Trust Fund created under s. 420.56 for the purpose of allowing a landlord to hold a dwelling unit for a period of time, and still be compensated for the time that the dwelling unit is vacant, until the veteran is able to move into the dwelling unit. Such trust fund provides proportional rent to eligible landlords for a period of up to 45 days after the date the dwelling unit becomes available or until the actual date that the veteran moves into the dwelling unit, whichever is sooner.

(b) To apply for funding under paragraph (a), a landlord must submit all required documentation to the contracted program administrator within 60 days after the veteran moves into the dwelling unit. The case manager assigned to the veteran shall assist the contracted program administrator by facilitating trust fund requests from landlords and documentation compliance. The contracted program administrator shall maintain all documentation required under this subsection and provide the corporation with a certification of eligibility, tenancy dates, and verified costs within the timeframe established by the corporation by rule. At a minimum, a landlord shall submit documentation to the contracted program administrator in the form and manner established by the corporation. Required supporting documentation necessary to confirm eligibility for reimbursement and oversight shall be maintained by the entity responsible for case management or rental assistance administration in the HUD-Veterans Affairs Supportive Housing program.

(c) The corporation may rely on certifications,

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determinations, and documentation provided by public housing authorities, the United States Department of Veterans Affairs, providers of Supportive Services for Veteran Families, continuums of care, or other entities responsible for administering or supporting the functions of the HUD-Veterans Affairs Supportive Housing program. The corporation's reliance on such certifications, determinations, and documentation satisfies the corporation's oversight and evaluation responsibilities of the functions, activities, and outcomes for the pilot program.

(5) (a) If a veteran moves out of the dwelling unit during the first 12 months of a year-to-year rental agreement or after the expiration of a rental agreement for any duration, the landlord may apply to the contracted program administrator for funding from the Vacancy Relief and Risk Mitigation Trust Fund created under s. 420.56 to cover property loss at the dwelling unit caused by the veteran which exceeds the amount of the deposit money. The landlord may apply for up to \$2,000 beyond the deposit money.

(b) To apply for funding under paragraph (a), a landlord must submit all required documentation to the contracted program administrator within 60 days after the veteran moves out of the dwelling unit. The case manager assigned to the veteran shall assist the contracted program administrator by facilitating trust fund requests from landlords and documentation compliance. The contracted program administrator shall maintain all documentation required under this subsection and provide the corporation, within the timeframe established by rule, a certification of eligibility, tenancy dates, verified damage

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amounts, and verified costs. Required supporting documentation necessary to confirm eligibility for reimbursement and oversight shall be maintained by the entity responsible for case management or rental assistance administration in the HUD-Veterans Affairs Supportive Housing program.

(c) After the veteran vacates the dwelling unit, the landlord shall provide the contracted program administrator a copy of the move-out checklist with current photos of the dwelling unit and a copy of the written notice provided to the veteran by the landlord in accordance with s. 83.49(3)(a).

(d) A landlord may apply for funding under paragraph (a) only if the landlord previously applied for funding under paragraph (4)(a).

(6) Funding for the pilot program is limited, and the corporation shall award funds on a first-come, first-served basis. The corporation may suspend acceptance of applications when available appropriations are fully obligated. The corporation must notify contracted program administrators if intake of applications is suspended and when intake of applications is resumed.

(7) The corporation shall adopt rules to implement this section.

Section 2. This act shall take effect July 1, 2026, if SB 1604 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 19, 2026

I respectfully request that **Senate Bills 1602**, relating to Housing for Veterans, and **1604**, relating to Trust Funds/Vacancy Relief Trust Fund/Risk Mitigation Trust Fund, be placed on the:

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

Thank you for your consideration of this request.

A handwritten signature in black ink that reads "Tom A. Wright". The signature is written in a cursive style.

Senator Tom A. Wright
Florida Senate, District 8

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1604

INTRODUCER: Appropriations Committee on Transportation, Tourism, and Economic Development; Military and Veterans Affairs, Space, and Domestic Security Committee; and Senator Wright

SUBJECT: Trust Funds/Vacancy Relief and Risk Mitigation Trust Fund

DATE: February 27, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Proctor	Proctor	MS	Fav/CS
2.	Griffin	Nortelus	ATD	Fav/CS
3.	Griffin	Sadberry	AP	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1604 creates the Vacancy Relief and Risk Mitigation Trust Fund within the Florida Housing Finance Corporation (FHFC), to which the Legislature may appropriate funds for the purpose of implementing the Homes for Veterans Property Management Incentive Pilot Program under s. 83.684, F.S.

This bill may have an indeterminate fiscal impact on private and government sectors. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026, if CS/CS/SB 1602 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

II. Present Situation:

Trust Funds

Establishment of Trust Funds

A trust fund may be created by law only by the Legislature and only if passed by a three-fifths vote of the membership of each house in a separate bill for that purpose only. Except for

trust funds being re-created by the Legislature, each trust fund must be created by statutory language that specifies at least the following:

- The name of the trust fund.
- The agency or branch of state government responsible for administering the trust fund.
- The requirements or purposes that the trust fund is established to meet.
- The sources of moneys to be credited to the trust fund or specific sources of receipts to be deposited in the trust fund.¹

Florida Constitutional Requirement for Trust Funds

The Florida Constitution requires that state trust funds must terminate not more than four years after the effective date of the act authorizing the initial creation of the trust fund.² By law the Legislature may set a shorter time period for which any trust fund is authorized.³

However, under the Florida Constitution state trust funds that serve as clearing funds or accounts for the Chief Financial Officer or state agencies are not subject to the termination requirements.⁴

Review of Trust Funds

The Legislature must review all state trust funds at least once every four years,⁵ prior to the regular session of the Legislature immediately preceding the date on which any executive or judicial branch trust fund is scheduled to be terminated,⁶ or such earlier date as the Legislature may specify.⁷

The agency responsible for the administration of the trust fund and the Governor, for executive branch trust funds, or the Chief Justice, for judicial branch trust funds, must recommend to the President of the Senate and the Speaker of the House of Representatives whether the trust fund should be allowed to terminate or should be re-created.⁸ Each recommendation must be based on a review of the purpose and use of the trust fund and a determination of whether the trust fund will continue to be necessary.⁹ A recommendation to re-create the trust fund may include suggested modifications to the purpose, sources of receipts, and allowable expenditures for the trust fund.¹⁰

When the Legislature terminates a trust fund, the agency or branch of state government that administers the trust fund must pay any outstanding debts or obligations of the trust fund as soon as practicable.¹¹ The Legislature may also provide for the distribution of moneys in that trust

¹ Section 215.3207, F.S.

² FLA. CONST., art. III, s. 19(f)(2).

³ *Id.*

⁴ FLA. CONST., art. III, s. 19(f)(3).

⁵ Section 215.3208(1), F.S.

⁶ FLA. CONST., art. III, s. 19(f).

⁷ Section 215.3206(1), F.S.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ Section 215.3208(2)(a), F.S.

fund. If no such distribution is provided, the moneys remaining after all outstanding obligations of the trust fund are met must be deposited in the General Revenue Fund.¹²

Homes for Veterans Property Management Incentive Pilot Program

CS/SB 1602 creates the “Homes for Veterans Property Management Incentive Pilot Program” within the FHFC for Broward, Escambia, Hillsborough, and Santa Rosa counties. The bill directs the FHFC, in consultation with the local public housing authority and case managers assigned to veterans, to establish and oversee the Vacancy Relief Trust Fund, the Risk Mitigation Trust Fund, the applications for such trust funds, the document requirements, and all processes of the pilot program.

The pilot program provides that landlords may apply to the FHFC to receive funding from the:

- Vacancy Relief Trust Fund to hold a vacant dwelling for a veteran for up to 45 days; and
- Risk Mitigation Trust Fund to cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money up to \$2,000, if the landlord has previously applied for the Vacancy Relief Trust Fund.

Funding provided from the pilot program is on a first-come, first-served basis, and the FHFC is direct to adopt rules for the pilot program.

Implementation of the pilot program is subject to annual legislative appropriations.

III. Effect of Proposed Changes:

The bill creates s. 420.56, F.S., to establish the Vacancy Relief and Risk Mitigation Trust Fund within the FHFC for the purpose of implementing the Homes for Veterans Property Management Incentive Pilot Program established pursuant to s. 83.684, F.S.

The bill directs that notwithstanding s. 216.301, F.S., and pursuant to s. 216.351, F.S., any balance in the trust fund at the end of the fiscal year reverts and is appropriated to the FHFC for the next fiscal year for carrying out the purposes of the trust fund.

The bill provides that in accordance with s. 19(f)(2), Art. III of the State Constitution, the Vacancy Relief and Risk Mitigation Trust Fund must, unless terminated sooner, be terminated on July 1, 2030. Before the scheduled termination of the Vacancy Relief and Risk Mitigation Trust Fund, the trust fund must be reviewed as provided in s. 215.3206(1) and (2), F.S.

The bill provides an effective date of July 1, 2026, if CS/CS/SB 1602 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

¹² Section 215.3208(2)(b), F.S.

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:

Article I, s. 24(c) of the State Constitution requires a two-thirds vote of the members present and voting for final passage of a bill creating or expanding an exemption to the public records disclosure requirements. The bill does not create or expand an exemption. Thus, the bill does not require an extraordinary vote for enactment.

C. Trust Funds Restrictions:

Article III, s. 19(f)(1) of the Florida Constitution requires a bill that creates or re-creates a trust fund to pass by three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

D. State Tax or Fee Increases:

None identified.

E. Other Constitutional Issues:

None identified.

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

None identified.

B. Private Sector Impact:

The bill may have an indeterminate positive fiscal impact for landlords who participate in the Homes for Veterans Property Management Incentive Pilot Program and receive funds from the newly created trust fund.

C. Government Sector Impact:

The bill does not directly impact state revenues or expenditures. However, the creation of the trust fund will allow implementation of the Homes for Veterans Property Management Incentive Pilot Program subject to annual legislative appropriations.

VI. Technical Deficiencies:

None identified.

VII. Related Issues:

None identified.

VIII. Statutes Affected:

This bill creates section 420.56 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 Transportation, Tourism, and Economic Development on February 18, 2026:

The committee substitute combines the two trust funds into one trust fund: the Vacancy Relief and Risk Mitigation Trust Fund.

CS by Military and Veterans Affairs, Space, and Domestic Security on January 26, 2026:

The committee substitute links the bill to CS/SB 1602 to provide an effective date of July 1, 2026, if CS/SB 1602 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

- B. **Amendments:**

None.

By the Appropriations Committee on Transportation, Tourism, and Economic Development; the Committee on Military and Veterans Affairs, Space, and Domestic Security; and Senator Wright

606-03022-26

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1 A bill to be entitled
 2 An act relating to trust funds; creating s. 420.56,
 3 F.S.; creating the Vacancy Relief and Risk Mitigation
 4 Trust Fund within the Florida Housing Finance
 5 Corporation for a specified purpose; authorizing any
 6 unexpended balance at a specified time to revert and
 7 be reappropriated for a certain purpose; providing for
 8 future review and termination or re-creation of the
 9 trust fund; providing a contingent effective date.
 10
 11 Be It Enacted by the Legislature of the State of Florida:
 12
 13 Section 1. Section 420.56, Florida Statutes, is created to
 14 read:
 15 420.56 Vacancy Relief and Risk Mitigation Trust Fund.—
 16 (1) The Vacancy Relief and Risk Mitigation Trust Fund is
 17 created within the Florida Housing Finance Corporation, to which
 18 the Legislature may appropriate funds for the purpose of
 19 implementing the Homes for Veterans Property Management
 20 Incentive Pilot Program under s. 83.684.
 21 (2) Notwithstanding s. 216.301 and pursuant to s. 216.351,
 22 any balance in the trust fund at the end of the fiscal year must
 23 revert and be appropriated to the corporation for the next
 24 fiscal year for carrying out the purposes of the trust fund.
 25 (3) In accordance with s. 19(f)(2), Art. III of the State
 26 Constitution, the Vacancy Relief and Risk Mitigation Trust Fund
 27 must, unless terminated sooner, be terminated on July 1, 2030.
 28 Before the scheduled termination of the Vacancy Relief and Risk
 29 Mitigation Trust Fund, the trust fund must be reviewed as

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

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30 provided in s. 215.3206(1) and (2).
 31 Section 2. This act shall take effect July 1, 2026, but
 32 only if SB 1602 or similar legislation is adopted in the same
 33 legislative session or an extension thereof and becomes a law.

Page 2 of 2

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



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 19, 2026

I respectfully request that **Senate Bills 1602**, relating to Housing for Veterans, and **1604**, relating to Trust Funds/Vacancy Relief Trust Fund/Risk Mitigation Trust Fund, be placed on the:

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

Thank you for your consideration of this request.

A handwritten signature in black ink that reads "Tom A. Wright". The signature is written in a cursive, flowing style.

Senator Tom A. Wright
Florida Senate, District 8

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/CS/SB 1614

INTRODUCER: Committee on Appropriations; Appropriations Committee on Agriculture, Environment, and General Government; Community Affairs Committee; and Senator Leek

SUBJECT: Local Government Funding

DATE: March 3, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Tolmich	Fleming	CA	Fav/CS
2.	Davis	Betta	AEG	Fav/CS
3.	Davis	Sadberry	AP	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/CS/SB 1614 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 local governments. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

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.¹

¹ 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 (last visited Feb. 2, 2026).

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, 2002.² The current edition of the Building Code is the eighth edition, which is referred to as the 2023 Florida Building Code.³

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.⁴

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.⁵ 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.⁶ 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.⁷ Any unexpected balances must be carried forward to future years for allowable activities or must be refunded at the discretion of the local government.⁸

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.⁹ Any amount exceeding this limit must be used for the following purposes:¹⁰

- Rebating and reducing fees;
- Upgrading technology hardware and software systems to enhance service delivery;

² *Id.*

³ Florida Building Commission Homepage, available at: <https://floridabuilding.org/c/default.aspx> (last visited Feb. 2, 2026).

⁴ Section 553.72(1), F.S.

⁵ 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.

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* The term “operating budget” does not include reserve amounts.

¹⁰ 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.

- Paying for the construction of a building or structure that houses a local government's building code enforcement agency;¹¹ or
- Providing training programs for building officials, inspectors, or plans examiners associated with the Florida Building Code.¹²

III. Effect of Proposed Changes:

Section 1 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 Art. VII, s.18 of the State Constitution.

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.

¹¹ 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.

¹² Section 553.80(7)(a)2., F.S.

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 use excess funds from enforcing the Florida Building Code to pay for the construction of a building that houses the local government's building code enforcement agency.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 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/CS by Appropriations on March 2, 2026:

The committee substitute:

- Changes the relating to clause from “an act relating to local government funding” to “an act relating to enforcement of the Florida Building Code.”
- Removes the provision providing that a local government is not eligible to receive state funds through a local funding initiative request if it has been subject to an audit directed by the Joint Legislative Auditing Committee (JLAC) within the one-year period preceding date of the submission of such request and exception.
- Removes requirement that the JLAC notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

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.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Leek) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Paragraph (a) of subsection (7) of section
553.80, Florida Statutes, is amended to read:

553.80 Enforcement.—

(7) (a) The governing bodies of local governments may
provide a schedule of reasonable fees, as authorized by s.
125.56(2) or s. 166.222 and this section, for enforcing this



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11 part. These fees, and any fines or investment earnings related
12 to the fees, may only be used for carrying out the local
13 government's responsibilities in enforcing the Florida Building
14 Code, including, but not limited to, any process or enforcement
15 related to obtaining or finalizing a building permit. When
16 providing a schedule of reasonable fees, the total estimated
17 annual revenue derived from fees, and the fines and investment
18 earnings related to the fees, may not exceed the total estimated
19 annual costs of allowable activities. Any unexpended balances
20 must be carried forward to future years for allowable activities
21 or must be refunded at the discretion of the local government. A
22 local government may not carry forward an amount exceeding the
23 average of its operating budget for enforcing the Florida
24 Building Code for the previous 4 fiscal years. For purposes of
25 this subsection, the term "operating budget" does not include
26 reserve amounts. Any amount exceeding this limit must be used as
27 authorized in subparagraph 2. However, a local government that
28 established, as of January 1, 2019, a Building Inspections Fund
29 Advisory Board consisting of five members from the construction
30 stakeholder community and carries an unexpended balance in
31 excess of the average of its operating budget for the previous 4
32 fiscal years may continue to carry such excess funds forward
33 upon the recommendation of the advisory board. The basis for a
34 fee structure for allowable activities must relate to the level
35 of service provided by the local government and must include
36 consideration for refunding fees due to reduced services based
37 on services provided as prescribed by s. 553.791, but not
38 provided by the local government. Fees charged must be
39 consistently applied.



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1. As used in this subsection, the phrase "enforcing 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. The phrase may also 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.

2. A local government must use any excess funds that it is prohibited from carrying forward to rebate and reduce fees, to upgrade technology hardware and software systems to enhance service delivery, ~~to pay for the construction of a building or structure that houses a local government's building code enforcement agency,~~ or for training programs for building officials, inspectors, or plans examiners associated with the enforcement of the Florida Building Code. ~~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 4 consecutive years.~~ An owner or a builder who has a valid building permit issued by a local government for a fee, or an association of owners or builders located in this ~~the~~ state which ~~that~~ has members with valid building permits issued by a local government for a fee, may bring a civil action against the local government that issued the permit for a fee to enforce this subparagraph.

3. The following activities may not be funded with fees adopted for enforcing the Florida Building Code:

a. Planning and zoning or other general government



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activities not related to obtaining a building permit.

b. Inspections of public buildings for a reduced fee or no fee.

c. Public information requests, community functions, boards, and any program not directly related to enforcement of the Florida Building Code.

d. Enforcement and implementation of any other local ordinance, excluding validly adopted local amendments to the Florida Building Code and excluding any local ordinance directly related to enforcing the Florida Building Code as defined in subparagraph 1.

4. A local government must use recognized management, accounting, and oversight practices to ensure that fees, fines, and investment earnings generated under this subsection are maintained and allocated or used solely for the purposes described in subparagraph 1.

5. The local enforcement agency, independent district, or special district may not require at any time, including at the time of application for a permit, the payment of any additional fees, charges, or expenses associated with:

- a. Providing proof of licensure under chapter 489;
- b. Recording or filing a license issued under this chapter;
- c. Providing, recording, or filing evidence of workers' compensation insurance coverage as required by chapter 440; or
- d. Charging surcharges or other similar fees not directly related to enforcing the Florida Building Code.

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

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



339774

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled

An act relating to enforcement of the Florida Building
Code; amending s. 553.80, F.S.; revising the manner in
which a local government is required to spend excess
funds; providing an effective date.

By the Appropriations Committee on Agriculture, Environment, and General Government; the Committee on Community Affairs; and Senator Leek

601-02967-26

20261614c2

1 A bill to be entitled
 2 An act relating to local government funding; amending
 3 s. 11.40, F.S.; providing that a local governmental
 4 entity is not eligible to receive state funds through
 5 a local funding initiative request if the local
 6 governmental entity was subject to an audit directed
 7 by the Legislative Auditing Committee within a
 8 specified timeframe; providing an exception; requiring
 9 the Legislative Auditing Committee to notify the
 10 chairs of each legislative appropriations committee
 11 upon voting to direct an audit of a local governmental
 12 entity; amending s. 553.80, F.S.; revising the manner
 13 in which a local government is required to spend
 14 excess funds; providing an effective date.
 15
 16 Be It Enacted by the Legislature of the State of Florida:
 17
 18 Section 1. Subsection (4) is added to section 11.40,
 19 Florida Statutes, to read:
 20 11.40 Legislative Auditing Committee.—
 21 (4) A local governmental entity is not eligible to receive
 22 state funds through a local funding initiative request if the
 23 local governmental entity was subject to an audit directed by
 24 the Legislative Auditing Committee within the 1-year period
 25 preceding the date of the submission of the local funding
 26 initiative request, as measured from the date on which the
 27 Legislative Auditing Committee votes to direct the audit.
 28 However, a local governmental entity that was subject to an
 29 audit pursuant to this subsection may be eligible to receive

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

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30 such funds if, at the time of submission of the local funding
 31 initiative request to its legislative delegation, the local
 32 governmental entity includes an affirmation stating that it is
 33 no longer the subject of such audit. The Legislative Auditing
 34 Committee shall notify the chairs of each legislative
 35 appropriations committee upon voting to direct an audit of a
 36 local governmental entity.
 37 Section 2. Paragraph (a) of subsection (7) of section
 38 553.80, Florida Statutes, is amended to read:
 39 553.80 Enforcement.—
 40 (7) (a) The governing bodies of local governments may
 41 provide a schedule of reasonable fees, as authorized by s.
 42 125.56(2) or s. 166.222 and this section, for enforcing this
 43 part. These fees, and any fines or investment earnings related
 44 to the fees, may only be used for carrying out the local
 45 government's responsibilities in enforcing the Florida Building
 46 Code, including, but not limited to, any process or enforcement
 47 related to obtaining or finalizing a building permit. When
 48 providing a schedule of reasonable fees, the total estimated
 49 annual revenue derived from fees, and the fines and investment
 50 earnings related to the fees, may not exceed the total estimated
 51 annual costs of allowable activities. Any unexpended balances
 52 must be carried forward to future years for allowable activities
 53 or must be refunded at the discretion of the local government. A
 54 local government may not carry forward an amount exceeding the
 55 average of its operating budget for enforcing the Florida
 56 Building Code for the previous 4 fiscal years. For purposes of
 57 this subsection, the term "operating budget" does not include
 58 reserve amounts. Any amount exceeding this limit must be used as

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59 authorized in subparagraph 2. However, a local government that
 60 established, as of January 1, 2019, a Building Inspections Fund
 61 Advisory Board consisting of five members from the construction
 62 stakeholder community and carries an unexpended balance in
 63 excess of the average of its operating budget for the previous 4
 64 fiscal years may continue to carry such excess funds forward
 65 upon the recommendation of the advisory board. The basis for a
 66 fee structure for allowable activities must relate to the level
 67 of service provided by the local government and must include
 68 consideration for refunding fees due to reduced services based
 69 on services provided as prescribed by s. 553.791, but not
 70 provided by the local government. Fees charged must be
 71 consistently applied.

72 1. As used in this subsection, the phrase "enforcing the
 73 Florida Building Code" includes the direct costs and reasonable
 74 indirect costs associated with review of building plans,
 75 building inspections, reinspections, and building permit
 76 processing; building code enforcement; and fire inspections
 77 associated with new construction. The phrase may also include
 78 training costs associated with the enforcement of the Florida
 79 Building Code and enforcement action pertaining to unlicensed
 80 contractor activity to the extent not funded by other user fees.

81 2. A local government must use any excess funds that it is
 82 prohibited from carrying forward to rebate and reduce fees, to
 83 upgrade technology hardware and software systems to enhance
 84 service delivery, ~~to pay for the construction of a building or~~
 85 ~~structure that houses a local government's building code~~
 86 ~~enforcement agency,~~ or for training programs for building
 87 officials, inspectors, or plans examiners associated with the

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88 enforcement of the Florida Building Code. ~~Excess funds used to~~
 89 ~~construct such a building or structure must be designated for~~
 90 ~~such purpose by the local government and may not be carried~~
 91 ~~forward for more than 4 consecutive years.~~ An owner or a builder
 92 who has a valid building permit issued by a local government for
 93 a fee, or an association of owners or builders located in this
 94 ~~the~~ state that has members with valid building permits issued by
 95 a local government for a fee, may bring a civil action against
 96 the local government that issued the permit for a fee to enforce
 97 this subparagraph.

98 3. The following activities may not be funded with fees
 99 adopted for enforcing the Florida Building Code:

100 a. Planning and zoning or other general government
 101 activities not related to obtaining a building permit.

102 b. Inspections of public buildings for a reduced fee or no
 103 fee.

104 c. Public information requests, community functions,
 105 boards, and any program not directly related to enforcement of
 106 the Florida Building Code.

107 d. Enforcement and implementation of any other local
 108 ordinance, excluding validly adopted local amendments to the
 109 Florida Building Code and excluding any local ordinance directly
 110 related to enforcing the Florida Building Code as defined in
 111 subparagraph 1.

112 4. A local government must use recognized management,
 113 accounting, and oversight practices to ensure that fees, fines,
 114 and investment earnings generated under this subsection are
 115 maintained and allocated or used solely for the purposes
 116 described in subparagraph 1.

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117 5. The local enforcement agency, independent district, or
118 special district may not require at any time, including at the
119 time of application for a permit, the payment of any additional
120 fees, charges, or expenses associated with:

- 121 a. Providing proof of licensure under chapter 489;
- 122 b. Recording or filing a license issued under this chapter;
- 123 c. Providing, recording, or filing evidence of workers'
- 124 compensation insurance coverage as required by chapter 440; or
- 125 d. Charging surcharges or other similar fees not directly
- 126 related to enforcing the Florida Building Code.

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



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 23, 2026

I respectfully request that **Senate Bill #1614**, relating to Local Government Funding, 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", is written over a horizontal line.

Sen. Tom Leek
Florida Senator, District 7

The Florida Senate
APPEARANCE RECORD

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

3/2/26

Meeting Date

1614

Bill Number or Topic

Approps

Committee

Amendment Barcode (if applicable)

Name LUCAS PARSONS

Phone 858 - 595 - 7754

Address 215 S MONRIE

Email lparsons@carltonfields.com

Street

City

TLC

State

FLA

Zip

32301

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. HOME BUILDERS ASSN

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1758

INTRODUCER: Appropriations Committee; Health Policy Committee; and Senator Gaetz and others

SUBJECT: Public Assistance

DATE: March 4, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Rainer</u>	<u>Brown</u>	<u>HP</u>	<u>Fav/CS</u>
2.	<u>Barr/Sneed</u>	<u>Sadberry</u>	<u>AP</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1758 makes changes to Florida's administration of the Medicaid Program and the Supplemental Nutrition Assistance Program (SNAP).

For Medicaid, the bill:

- Enacts work or community engagement requirements for program recipients to be eligible for the Florida Medicaid program.
- Directs the Agency for Health Care Administration (AHCA) to seek federal approval for a home and community-based behavioral health services program designed to cover an expanded array of services to adults with serious mental illness who are high utilizers of services in institutional settings.
- Expands the responsibilities of the Medicaid Pharmaceutical and Therapeutics Committee to include the development of a preferred physician-administered drug list, preferred product list, and high-cost drug list to promote cost-effective purchasing of prescribed drugs and therapeutic supplies.
- Authorizes the reimbursement of hospitals for long-acting injectables to patients with severe mental illness, outside of the diagnosis-related group reimbursement system that applies to inpatient care under the Florida Medicaid program.
- Authorizes the AHCA to engage a vendor and perform a study of the utilization of the federal 340B Discount Drug Purchase program in Florida.
- Clarifies that the AHCA may perform retrospective audits of provider claims irrespective of prior utilization reviews or prior authorizations.

- Authorizes the AHCA to send overpayment notice to providers by other common carriers in addition to the U.S. Postal Service.

For SNAP, the bill:

- Codifies in state statute federal SNAP eligibility requirements related to citizenship and immigration status and requires all SNAP participants to provide documentation verifying shelter and utility expenses at the time of application and redetermination.
- Requires the Department of Children and Families (DCF) to develop and implement a statewide SNAP payment accuracy plan designed to reduce the state's payment error rate to below six percent, submit an improvement plan to by July 15, 2026, and submit quarterly reports to the Governor and Legislature beginning October 1, 2026.
- Requires the DCF to issue SNAP electronic benefit transfer (EBT) cards that include photographic identification, to the extent allowed under federal law.
- Expands SNAP employment and training participation requirements to individuals aged 18 through 64 who do not have a child under the age of 14, replacing the current statutory upper age limit of 59 and the exemption for individuals with a child under age 18.

The bill will have a significant, negative fiscal impact on expenditures within the Florida Medicaid Program, the AHCA, and the DCF, and an indeterminate positive fiscal impact on the Florida Medicaid and SNAP programs in future years. **See Section V, Fiscal Impact Statement.**

The bill takes effect July 1, 2026.

II. Present Situation:

Medicaid Program

The Medicaid Program was established in 1965 under federal law. The Medicaid Act is codified as Title XIX of the Social Security Act and ch. 409, parts III and IV, of the Florida Statutes.¹ The purpose of the program is to provide medical assistance to the “categorically needy.” It is a voluntary program for the states’ participation. Florida has opted to participate in the Medicaid program.

Medicaid is a cooperative health care program jointly funded by the states and federal government. While it is a voluntary program, once a state elects to participate, the state must comply with all federal and statutory requirements. As a cooperative program, it is jointly funded by the state and federal government.² The federal government at this time is providing a sixty percent match with the remaining forty percent coming from the state.³ The federal match is known as the Federal Medical Assistance Percentages (FMAP).⁴

¹ 42 U.S.C. § 1396 et seq.

² 42 U.S.C. §§ 1396b

³ Federal Register, 54696/Vol. 90, No.227/Friday, November 28, 2025/Notices, available at <https://www.govinfo.gov/content/pkg/FR-2025-11-28/pdf/2025-21332.pdf>; The federal share for Florida Medicaid during the Federal Fiscal Year starting October 1, 2026, will be 55.43 percent.

⁴ *Id.* FMAP is used for the Medicaid, TANF, child support collection, Child Care Mandatory and Matching Funds of the Child Care and Development Fund, Title IV-E Foster Care Maintenance payments, and Kinship Guardianship Assistance

On the federal side of the program, Medicaid is administered by the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services (HHS). In the State of Florida, the Agency for Health Care Administration (AHCA) is designated as the “single state agency” for purposes of interacting with the federal CMS as to supervision and administration of the state Medicaid plan under federal law.⁵ The Department Children and Families (DCF) is responsible for determining an individual’s eligibility for Medicaid assistance.⁶ The AHCA is responsible for all other aspects of the Medicaid program.⁷

To qualify a state for federal funding, the federal CMS must approve the state’s Medicaid plan, or “state plan,” which sets out numerous parameters for running the program.⁸ It is also possible for the state to obtain a 1115, 1915(a), or 1915(b) waiver. A section 1115 waiver gives the federal CMS the “authority to approve experimental, pilot, or demonstration projects that promote the objectives of the Medicaid and CHIP programs.”⁹ The 1915(a) and 1915(b) waivers are utilized for implementing and changing a state’s managed care delivery system.

As of December 31, 2025, a total of 3,928,797 persons were enrolled in Florida Medicaid.¹⁰ Overall, the Medicaid Program in Florida is projected to expend approximately \$35.1 billion for Fiscal Year 2025-2026.¹¹

The One Big Beautiful Bill Act

On July 4, 2025, the federal law known as the One Big, Beautiful Bill Act (H.R.1, 2025, or OBBBA) was signed into law. The OBBBA deals with various tax and spending items. The law implements work requirements, with exceptions, for Medicaid adults under the age of 65 who are Medicaid-eligible in states that expanded their Medicaid eligibility under the Affordable Care Act.¹²

The OBBBA also requires verification of a person’s eligibility upon application and at least every six months if the person is required to participate in work activities.¹³ The work program is mandatory for states that have implemented Medicaid expansion.¹⁴ Forty-one states (including

programs. There is also an Enhanced Federal Matching Assistance Percentage (eFMAP) which applies to the Children’s Health Insurance Program (CHIP).

⁵ Section 409.902(15), F.S.; see also 42 C.F.R. § 431.10

⁶ Sections 409.902(15) and (19), F.S.

⁷ State of Florida, State Plan, available at: https://ahca.myflorida.com/content/download/5971/file/2021wu_Section_1-Single_State_Agency.pdf (last visited Jan. 30, 2026)

⁸ 42 U.S.C. §§ 1396a

⁹ Medicaid.gov, *Managed Care Authorities*, available at: <https://www.medicaid.gov/medicaid/managed-care/managed-care-authorities> (last visited Jan. 30, 2026).

¹⁰ Number of Medicaid Eligibles by Age By Assistance Category as of Dec. 31, 2025.

¹¹ Office of Program Policy Analysis and Government Accountability, *Agency for Health Care Administration*, available at: <https://oppaga.fl.gov/ProgramSummary/ProgramDetail?programNumber=5048> (last visited Jan. 30, 2026).

¹² Hinton, Diana, and Rudowitz, *A Closer Look at the Work Requirement Provisions in the Federal Budget Reconciliation Law*, KFF, July 30, 2025; <https://www.kff.org/medicaid/a-closer-look-at-the-work-requirement-provisions-in-the-2025-federal-budget-reconciliation-law/> (last visited Jan. 30, 2026)

¹³ Section 7119 of HR 1, (42 U.S.C. §1396a)

¹⁴ *Id.*

Washington, D.C.) are expansion states.¹⁵ Those states must implement the work requirements by December 31, 2026.¹⁶ The ten states¹⁷, including Florida, which are not expansion states are not mandated but may seek to implement work requirements under a section 1115 waiver or state plan amendment.¹⁸

Medicaid Eligibility

The DCF Office of Economic Self Sufficiency (ESS) handles eligibility determinations for Medicaid, as well as for the temporary cash assistance, temporary assistance to needy families (TANF), and food assistance (SNAP) programs.¹⁹ The resources it uses to process and conduct such eligibility determinations are:

- Case workers.²⁰
- Various webpages and resources.²¹
- A comprehensive ESS Florida Program Policy Manual.²²
- Forty-one Family Resources Centers throughout the state.²³
- A call center.²⁴
- The ACCESS Florida system, to collect, verify client information, and determine benefit eligibility.²⁵
- The MyACCESS Customer Portal, to enable individuals to apply for benefits, view program notices regarding their benefits, and self-report changes in household circumstances affecting eligibility, renew benefits, and upload documents.

¹⁵ Status of State Medicaid Expansion Decisions, KFF [https://www.kff.org/medicaid/status-of-state-medicaid-expansion-decisions/#:~:text=The%20Affordable%20Care%20Act's%20\(ACA\)%20Medicaid%20expansion,matching%20rate%20\(FM%20AP\)%20for%20their%20expansion%20populations](https://www.kff.org/medicaid/status-of-state-medicaid-expansion-decisions/#:~:text=The%20Affordable%20Care%20Act's%20(ACA)%20Medicaid%20expansion,matching%20rate%20(FM%20AP)%20for%20their%20expansion%20populations) (Jan 14, 2026). (last visited Jan. 30, 2026).

¹⁶ Section 7119 of HR 1, (42 U.S.C. §1396a) and 42 U.S.C. §1315.

¹⁷ Status of State Medicaid Expansion Decisions, KFF.

¹⁸ Section 7119 of HR 1, (42 U.S.C. §1396a).

¹⁹ *Chianne D. v. Harris*, No. 3:23-CV-985-MMH-LLL, 2026 WL 32126, at p. 4 (M.D. Fla. Jan. 6, 2026).

²⁰ They are expected to handle four hundred to six hundred case a month. *Chianne D. v. Harris*, No. 3:23-CV-985-MMH-LLL, 2026 WL 32126, at p. 30 (M.D. Fla. Jan. 6, 2026) The monthly volumes have ranged from 145,000 to 268,000. Public Assistance Caseload Report, available at:

<https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.myflfamilies.com%2Fsites%2Fdefault%2Ffiles%2F2026-01%2Fcaseload.xlsx&wdOrigin=BROWSELINK> (last visited Feb. 4, 2026).

²¹ Department of Children and Families, *Additional Resources and Services*, available at:

<https://www.myflfamilies.com/services/public-assistance/additional-resources-and-services> (last visited Jan. 30, 2026).

²² Department of Children and Families, *ESS Program Policy Manual*, available at:

<https://www.myflfamilies.com/services/public-assistance/additional-resources-and-services/ess-program-manual> (last visited Jan. 30, 2026).

²³ Approximately 105,000 people visit a month. People. *Chianne D. v. Harris*, No. 3:23-CV-985-MMH-LLL, 2026 WL 32126, at p. 42 (M.D. Fla. Jan. 6, 2026).

²⁴ It operates from 7:00 a.m. to 6:00 p.m. Monday through Friday. Has budget authorization for about 960 positions of which 700 are frontline agents. It receives about 1.6 to 2.5 million calls per month. *Chianne D. v. Harris*, No. 3:23-CV-985-MMH-LLL, 2026 WL 32126, at p. 33 (M.D. Fla. Jan. 6, 2026).

²⁵ The system is a legacy mainframe system more than thirty years old. *Chianne D. v. Harris*, No. 3:23-CV-985-MMH-LLL, 2026 WL 32126, at p. 13 (M.D. Fla. Jan. 6, 2026) DCF is in the middle of a modernization project to incrementally replace the ACCESS system. The project has been funded since 2022. It is anticipated to be completed in 2028 and cost an estimated \$183 Million. *Id* at p. 16.

The ESS budget within the DCF for Fiscal Year 2025-26 is \$655,976,117 and includes 4,573 authorized full-time equivalent (FTE) positions.²⁶

Supplemental Nutrition Assistance Program (SNAP)

SNAP is a federal program authorized by the Food and Nutrition Act of 2008 that provides food benefits to low-income families to supplement their grocery budget so they can afford the nutritious food essential to health and wellbeing. Anyone who meets income and other eligibility requirements is entitled by law to receive SNAP benefits. SNAP benefits are 100 percent federally funded, although states are responsible for general program administration and ensuring program integrity. States determine the eligibility of individuals and households to receive SNAP benefits and issue monthly allotments of benefits.²⁷ In Florida, the DCF is the designated state agency responsible for administering the SNAP program,²⁸ and the DCF's process for administering SNAP is memorialized in ch. 65A-1, Florida Administrative Code.

SNAP Alien Eligibility

Under federal law, an individual is eligible to participate in SNAP if the individual resides in the U.S. and is either:

- A citizen or national of the United States;
- A lawfully admitted permanent resident, as defined in 8 U.S.C. §§ 1101(a)(15) and 1101(a)(20), excluding individuals such as visitors, tourists, diplomats, and students who are admitted temporarily and do not intend to abandon a foreign residence;
- An individual granted Cuban or Haitian entrant status as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96-422); or
- An individual lawfully residing in the United States pursuant to a Compact of Free Association described in 8 U.S.C. § 1612(b)(2)(G).²⁹

To ensure compliance with federal SNAP eligibility requirements for citizens and noncitizens, the DCF verifies a SNAP participant's Social Security Number³⁰ or immigration status through the U.S. Citizenship and Immigration Service, supplemented by documents (e.g., U.S. birth certificate, U.S. passport, Certificate of Naturalization or Citizenship) when appropriate.³¹

According to information provided by the DCF, as of September 17, 2025, there were:

- 162,813 SNAP participants who were lawfully admitted for permanent residence.
- 111,174 SNAP participants who were Cuban or Haitian entrants.

²⁶ Transparency Florida, *DCF Economic Self Sufficiency Services*, available at: <http://transparencyflorida.gov/OperatingBudget/AgencyDetailLevel.aspx?FY=26&BE=60910708> (last visited Jan. 30, 2026).

²⁷ 7 U.S.C. §§ 2011-2036b; *SNAP*, Food and Nutrition Service, US Dept. of Agriculture (last visited Jan. 30, 2026), <https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program>; *State/Local Agency, SNAP*, Food and Nutrition Service, US Dept. of Agriculture (last visited on January 14, 2026), <https://www.fns.usda.gov/snap/state>.

²⁸ Supplemental Nutrition Assistance Program (SNAP) | Florida DCF (last visited Jan. 30, 2026), <https://myflfamilies.com/services/public-assistance/supplemental-nutrition-assistance-program-snap> (last visited Jan 30, 2026).

²⁹ 7 U.S.C. § 2015(f).

³⁰ 65A-1.302, F.A.C.

³¹ 65A-1.301, F.A.C.

- 104 SNAP participants who were Compact of Free Association citizens of the Marshall Islands, Micronesia, and Palau.

SNAP Shelter Expense Verification

Federal regulations allow state agencies to set verification standards on certain information³² and to mandate verification using documentary evidence.³³ To calculate shelter and utility expenses for SNAP participants currently, the DCF relies on a verification form³⁴ that is signed by the landlord of the SNAP participant.³⁵ For utilities that are not included as part of the SNAP participant's rent payments, the DCF uses statewide standard allowances of \$419 for those who incur heating and cooling expenses separate from rent or mortgage, or a basic utility allowance of \$339 for those who do not incur heating and cooling but do incur electricity, fuel, water, sewage, or garbage separate from rent or mortgage.³⁶ State regulation expressly disallows the use of "actual utility expenses" in lieu of those allowances.³⁷

SNAP Quality Control Incentive

The OBBBA established a SNAP quality control incentive that consists of state-matching-funds requirements for the cost of SNAP benefit allotments. The matching requirements are determined based on a state's SNAP payment error rate and range from a state share of 0 to 15 percent of program allotments. These requirements generally begin in fiscal year 2028.³⁸

See section III of this analysis, "Effect of Proposed Changes," for further discussion.

SNAP Photo Identification Requirement

State agencies issue electronic benefits transfer (EBT) cards to SNAP participants under federal SNAP rules.³⁹ States that are performing sufficiently well in administering SNAP may choose to implement a photo EBT card policy.⁴⁰ Before implementation, a state agency must demonstrate to the Food and Nutrition Service that it has successfully administered SNAP in accordance with established program performance standards. At a minimum, a determination of successful administration must consider metrics related to program access; the state's payment error rate; the state's case and procedural error rate; application processing timeliness, including compliance with both the seven-day expedited service standard and the 30-day processing standard; the timeliness of recertification actions; and any other performance measures relevant to the state agency's implementation of photo EBT cards.⁴¹

³² 7 C.F.R. § 273.2(f)(3).

³³ 7 C.F.R. § 273.2(f)(4).

³⁴ CF-ES 2622, available at <https://flrules.org/Gateway/reference.asp?No=Ref-11648>. (last visited Feb. 4, 2026).

³⁵ 65A-1.205(9)(c), F.A.C.

³⁶ 65A-1.603, F.A.C.

³⁷ *Id.*

³⁸ 7 U.S.C. § 2013(a)(2); and *Supplemental Nutrition Assistance Program Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum*, Sept. 4, 2025, at pg. 4, <https://fns-prod.azureedge.us/sites/default/files/resource-files/OBBB-SNAP-Provisions-Implementation-Memo.pdf>.

³⁹ 7 U.S.C. § 2016; and 7 C.F.R. § 274.2(a).

⁴⁰ 7 C.F.R. § 274.8(f).

⁴¹ 7 C.F.R. § 274.8(f)(1).

SNAP Work Requirements

All people over the age of 15 and under the age of 60 applying for SNAP are subject to general work requirements.⁴² This requires the individual to register for work, accept a suitable job offer, not voluntarily quit or reduce hours below 30, and participate in education and training (E&T) programs. A person who is eligible for SNAP may receive benefits for up to three (consecutive or nonconsecutive) months in a three-year period; however, the person will no longer be eligible after the cumulative three-month period unless they work 20 or more hours per week (averaged monthly), participate in a work program for 20 or more hours per week, are in a qualifying workfare program, or qualify for an exemption.⁴³ These post three-month-limit work requirements are applicable to all individuals unless they:

- Are under the age of 18 or over the age of 65;⁴⁴
- Have been certified as physically or mentally unfit for employment;⁴⁵
- Have a dependent under the age of 14;⁴⁶
- Are pregnant;⁴⁷
- Are an Indian or Urban Indian;⁴⁸
- Are already meeting work registration requirements through Title IV of the Social Security Act or the Federal-State unemployment compensation system;⁴⁹
- Are responsible for the care of a dependent child under six years of age or an incapacitated person;⁵⁰
- Are students enrolled at least half-time in school, training program, or college;⁵¹
- Are regularly participating in a drug or alcohol treatment and rehab program;⁵² or
- Are working at least 30 hours per week or earning the equivalent of the federal minimum wage multiplied by 30 (\$217.50/week).^{53 54}

While SNAP work requirements are federally mandated, states have the flexibility to request waivers under certain conditions and to impose stricter rules if they choose. States can request waivers from the post three-month-limit work requirement for geographic areas where the

⁴² 7 U.S.C. § 2015(d)(1).

⁴³ 7 U.S.C. § 2015(o).

⁴⁴ 7 U.S.C. § 2015(o)(3)(A). Federal guidance documents frequently reflect eligibility from ages 18–64; it is as an administrative shorthand that is employed because 64 is the last full year of applicability, with 65 being a partial-year transition.

⁴⁵ 7 U.S.C. § 2015(o)(3)(B).

⁴⁶ 7 U.S.C. § 2015(o)(3)(C).

⁴⁷ 7 U.S.C. § 2015(o)(3)(E).

⁴⁸ 7 U.S.C. § 2015(o)(3)(F).

⁴⁹ 7 U.S.C. §§ 2015(o)(3)(D) and 2015(d)(2)(A).

⁵⁰ 7 U.S.C. §§ 2015(o)(3)(D) and 2015(d)(2)(B).

⁵¹ 7 U.S.C. §§ 2015(o)(3)(D) and 2015(d)(2)(C).

⁵² 7 U.S.C. §§ 2015(o)(3)(D) and 2015(d)(2)(D).

⁵³ 7 U.S.C. §§ 2015(o)(3)(D) and 2015(d)(2)(E).

⁵⁴ Congress made changes to SNAP work requirements in 2025, raising the applicable age ceiling to 65 and removing exceptions for homeless individuals, veterans, and those 24 and younger who aged out of foster care. *Supplemental Nutrition Assistance Program Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum*, Sept. 4, 2025, at pg. 2, <https://fns-prod.azureedge.us/sites/default/files/resource-files/OBBB-SNAP-Provisions-Implementation-Memo.pdf>.

unemployment rate is above 10 percent.^{55, 56} Additionally, states receive a limited number of discretionary exemptions they can apply to certain covered individuals, such as: an able-bodied adult without dependents who is not working or participating in a qualifying work/training program; SNAP participant denied solely for not meeting the work rule; or a former participant whose prior work exemption expired.⁵⁷ States can also implement education and training programs that require more participation than federal minimums.⁵⁸

Medicaid Behavioral Health

Behavioral health is not required to be covered under federal Medicaid law or regulations.⁵⁹ However, Florida has chosen to include certain aspects of mental services as Optional coverage in Florida, e.g. targeted case management and community mental health services, and state psychiatric inpatient hospital care to a recipient over 65 years old.⁶⁰ For the Florida KidCare program, both Medicaid and MediKids are required to provide behavioral health services.⁶¹ The AHCA is also authorized to implement a Medicaid behavioral drug management program.⁶²

Various programs and services for behavioral and mental health services are available for coverage and reimbursement under Florida Medicaid. The AHCA has promulgated 14 coverage policies as to behavioral and mental health services.⁶³ The AHCA has a separate Behavioral Health and Facilities Unit which develops policy and administers such services in behavioral health, hospital, long-term care, and assistive care facilities.⁶⁴

As part of Florida's Statewide Medicaid Managed Care (SMMC) program, managed care plans are required to maintain a network of behavioral health providers, provide behavioral health service as part of early and periodic screening, diagnosis, and treatment (EPSDT), provide care coordination between primary care services and behavioral health service, work with the DCF's

⁵⁵ 7 U.S.C. § 2015(o)(4). See also *ABAWD Waivers*, Food and Nutrition Service, US Dept. of Agriculture, <https://www.fns.usda.gov/snap/abawd/waivers>. (last visited on Jan. 30, 2026)

⁵⁶ In 2025, Congress removed the criterion that provides for waiver requests when an area “does not have a sufficient number of jobs to provide employment for the individuals” that reside there. This condition is replaced by an option for areas in Alaska and Hawaii to qualify for a waiver if their unemployment rate reaches or exceeds 150 percent of the national average. All other states may now only request waivers when the unemployment rate meets or exceeds 10 percent in an area. *Supplemental Nutrition Assistance Program Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum*, Sept. 4, 2025, at pg. 2, <https://fns-prod.azureedge.us/sites/default/files/resource-files/OBBB-SNAP-Provisions-Implementation-Memo.pdf>.

⁵⁷ 7 U.S.C. § 2015(o)(6).

⁵⁸ 7 U.S.C. §§ 2015(d)(1)(A)(ii) and 2015(d)(4).

⁵⁹ Section 409.905, F.S.

⁶⁰ Section 409.906(5), (8), and (22), F.S.

⁶¹ Section 409.815(2)(g), F.S.

⁶² Section 409.912(5)8.a., F.S.

⁶³ Behavioral Analysis Services, Behavioral Health Assessment Services, Behavioral Health Community Support Services, Behavioral Health Intervention Services, Behavioral Health Medication Management Services, Behavioral Health Overlay Services, Behavioral Health Therapy Services, Florida Assertive Community Treatment Services, Inpatient Hospital Services, Mental Health Targeted Case Management, Specialized Therapeutic Services, State Mental Health, Statewide Inpatient Psychiatric Program, Therapeutic Group Care Services, available at: <https://ahca.myflorida.com/medicaid/rules/adopted-rules-service-specific-policies> (last visited Jan. 30, 2026).

⁶⁴ Agency for Health Care Administration, *Behavioral Health and Health Facilities*, available at: <https://ahca.myflorida.com/medicaid/medicaid-policy-quality-and-operations/medicaid-policy-and-quality/medicaid-policy/medical-and-behavioral-health-coverage-policy/behavioral-health-and-health-facilities> (last visited Jan. 30, 2026).

applicable managing entity in the service area as to such coordination, and provide, as a minimum benefit, mental health services. The AHCA's contract with managed care plans incorporates the various coverage handbooks for the health plans to follow for providing behavioral and mental health benefits.⁶⁵ The AHCA has allowed some substitution or different facilities in the provision of behavioral and mental health benefits under the federal "in lieu of service" (ILOS) program.⁶⁶ For the recent SMMC procurement, all of the plans were able to provide a Serious Mental Illness (SMI) product along with their regular Medicaid benefits. All of the plans are awarded (except Florida Community Care) the SMI product. SMI status for an individual is determined by a case finding algorithm of inpatient, outpatient and professional claims, with diagnosis codes for those mental health conditions of long duration and significant impact on daily functioning.⁶⁷

Historically, the federal government has been reluctant to expand Medicaid benefits to include coverage for behavioral and mental health. From its inception in 1965, there was an exclusion to providing reimbursement to facilities classified as an "institution for mental disease" (IMD).⁶⁸ An IMD is currently defined as "a hospital, nursing facility, or other institution of more than 16 beds, that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services."⁶⁹ Over the years, however, the federal government has increased the ability, in limited cases, to use Medicaid funds for care in IMDs but has not removed the prohibition.⁷⁰ The federal government has also recognized the link between primary care and behavioral health.

Federal CMS announced in 2025 that it has three priorities over the next few years in the expansion of the Medicaid program as to mental and behavioral health benefits:

- Effective benefit design for mental health services for children, youth, and their families.
- Effective benefit design for substance use disorder services.
- Mental Health Parity and Addiction Equity Act (MHPAEA) application to Medicaid programs.^{71, 72}

⁶⁵ Managed Medical Assistance Program, Attachment II, Section V.A.1.a, p. 9-10; available at: <https://ahca.myflorida.com/content/download/27249/file/Exhibit%20II-A%20Managed%20Medical%20Assistance%20%28MMA%29%20Program%20Oct%202025.pdf> (last visited Jan. 30, 2026).

⁶⁶ Agency for Health Care Administration, *Statewide Medicaid Managed Care In Lieu of Services*, available at: https://ahca.myflorida.com/content/download/9115/file/ILOS_Program_Highlight_Document_Final_101618.pdf?version=1 (last visited Jan. 30, 2026).

⁶⁷ Florida Behavioral Health Association, *New SMMC Contract – Summary of Changes*, p. 2-4; available at: <https://floridabha.org/wp-content/uploads/2025/03/Summary-SMMC-Contract-FINAL-Feb-2025-1.pdf> (last visited Jan. 30, 2026).

⁶⁸ Congressional Research Service, *Medicaid's Institution for Mental Diseases (IMD) Exclusion*, (February 25, 2025); available at: https://www.congress.gov/crs_external_products/IF/PDF/IF10222/IF10222.15.pdf.

⁶⁹ *Id.*

⁷⁰ *Id.*

⁷¹ Behavioral Health Services, available at: <https://www.medicaid.gov/medicaid/benefits/behavioral-health-services> (last visited Jan. 30, 2026).

⁷² Mental Health Parity and Addiction Equity Act (MHPAEA), 42 U.S.C.A. § 300gg-26 Requires mental health and substance use disorder services are covered similar to medical benefits. Medicaid plans cannot impose limits on behavioral and mental health services more stringent than those for medical services.

Pharmacy, Drug Purchasing

Prescribed drugs are a standard benefit of the Florida Medicaid program and part of the reimbursement to providers.⁷³ Florida Medicaid program reimbursements for medications can be stand-alone payments, bundled into a prospective payment rate, e.g. diagnosis-related group (DRG), or part of the Medicaid capitation payment to health plans in SMMC.⁷⁴

The reimbursement of drugs is subject to various statutory requirements. Section 409.908(14), F.S., limits the reimbursement to the lesser of:

- The actual acquisition cost as contained in the federal CMS National Average Drug Acquisition Cost pricing files,
- The wholesale acquisition cost,
- The state maximum allowable cost, or
- The usual and customary charge billed,
- Plus a dispensing fee.

Generic drugs must be used, unless the prescriber has received an exemption.⁷⁵

Drugs are currently acquired pursuant to a Preferred Drug List (PDL). The PDL is developed, maintained and reviewed by the AHCA's Medicaid Pharmaceutical and Therapeutics Committee.⁷⁶ The committee is composed of 11 members appointed by the Governor – four members are allopathic physicians licensed under ch. 458, F.S., one member is an osteopathic physician licensed under ch. 459, F.S., five members are pharmacists, and one member is a consumer. The duties of the committee are to recommend the contents of the PDL to the AHCA and review the contents at least every twelve months.⁷⁷ The committee's standards and considerations for determining whether to include or delete a drug are:

- Is the drug medically appropriate drug therapy for Medicaid patients?⁷⁸
- Does the drug achieve the cost savings contained in the General Appropriations Act?⁷⁹
- Did the manufacturer agree to supplemental rebates as provided by law?⁸⁰
- Does the drug have the requisite United States Food and Drug Administration (FDA) approval for the particular use?⁸¹
- Clinical efficacy.⁸²
- Safety.⁸³

⁷³ Section 409.815(n), F.S. (KidCare); s. 409.905(3), F.S. (Mandatory Coverage, Family Planning Services); s. 409.906(20), F.S. (Optional Coverage, Prescribed Drug Services); and s. 409.906(29), F.S. (Optional Coverage, Bio Marker Testing Services).

⁷⁴ In plan year 2024 for MMA plans, \$3,229,392,040 was spent by the health plans. Retrieved from AHCA Dashboard, Compare Medicaid Financial Data; available at: <https://ahca.myflorida.com/medicaid/agency-dashboards> (last visited Jan. 30, 2026).

⁷⁵ Section 409.908(14)(a), F.S.

⁷⁶ Section 409.91195, F.S.

⁷⁷ Section 409.91195(4), F.S.

⁷⁸ *Id.*

⁷⁹ *Id.*

⁸⁰ Section 409.91195(7), F.S.

⁸¹ *Id.*

⁸² Section 409.91195(8), F.S.

⁸³ *Id.*

- Cost effectiveness.⁸⁴

The committee may make recommendations as to prior authorization requirements for any recommended drug.⁸⁵ The committee is required to allow public testimony before making recommendations to add or delete a drug.⁸⁶

The AHCA must adopt the PDL; however, it does not have to follow the requirements of rulemaking pursuant to ch. 120, F.S. Instead, the AHCA may post the PDL and updates on an internet website.⁸⁷ In addition, the list must also comply with the requirement of the Medicaid prescribed-drug spending control program under s. 409.912(5)(a), F.S. The current list is effective as of January 1, 2026, and has been posted.⁸⁸

Federal law gives states the option to provide coverage for prescribed drugs.⁸⁹ Florida has elected to do so,⁹⁰ as has every other state.⁹¹ To be eligible for the FMAP, the drug must be deemed a covered outpatient drug (COD) by federal CMS. As an additional requirement, the manufacturer of the drug and federal CMS must have entered into a National Drug Rebate Agreement (NDRA).⁹² The state FMAP is paid based on this rebate amount and any supplemental rebates achieved by the state.^{93, 94}

States may also place limitations of the coverage of drugs, such as preferred drug lists. Federal law provides that a state may exclude or otherwise restrict coverage as to a COD, if it is on a formulary or part of a prior authorization plan.⁹⁵

Long-Acting Injectables (LAI)

The AHCA, in coordination with the DCF, is authorized to implement a Medicaid behavioral drug management system as part of effective cost management.⁹⁶ The AHCA is authorized to implement prescribing practices and patient adherence to medication plans. The authority extends to all behavioral health drugs such as antipsychotics, antidepressants, and medications for treating bipolar disorders and other behavioral conditions. Further, the AHCA is authorized to monitor and implement programs to ensure patients engage in medication compliance.

⁸⁴ Section 409.91195(8), F.S.

⁸⁵ Section 409.91195(9), F.S.

⁸⁶ Section 409.91195(7), F.S.

⁸⁷ Section 409.912(5)(a)1., F.S.

⁸⁸ Agency for Health Care Administration, *Florida Medicaid Preferred Drug List, Effective January 1, 2026*, available at: <https://ahca.myflorida.com/content/download/22289/file/September%202025%20P%26T%20PDL%201.1.2026.pdf> (last visited Jan. 30, 2026).

⁸⁹ 42 U.S.C. § 1396r-8.

⁹⁰ Section 409.906(20), F.S.

⁹¹ U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services, *Report to Congress, Medicaid Services Investment and Accountability Act of 2019 Preventing the Misclassification of Drugs Under the Medicaid Drug Rebate Program, FFY 2024* (August 2025), p. 2; Available at: <https://www.medicaid.gov/prescription-drugs/downloads/mdrp-misclassification-rtc.pdf> (last visited Jan. 30, 2026).

⁹² 42 U.S.C. § 1396r-8(a)(1).

⁹³ 42 U.S.C. § 1396r-8(b)(1)(B).

⁹⁴ Section 409.912(5)(a)1.6. & 7., F.S.

⁹⁵ 42 U.S.C. § 1396r-8(d).

⁹⁶ Section 409.912(5)8.a., F.S.

In 2012, the Florida Legislature required the AHCA to implement a Diagnosis-Related Groups (DRGs) system for paying hospital inpatient claims.⁹⁷ DRGs are based on the principal diagnosis, secondary diagnoses, surgical procedures, age, sex, and discharge status of the patients treated.⁹⁸ DRGs are classified and implemented using the latest version of the International Classification of Diseases, 10th Revision, Procedure Coding System (ICD-10-CM/PCS) code set.⁹⁹ The DRG includes not only the inpatient stay and cost of any therapies, but also any drugs administered.

The AHCA reports that the DRG system is experiencing an unintended consequence for high-risk patients with schizophrenia or bipolar disorder.¹⁰⁰ In 2024, there were approximately 5,700 Medicaid recipients with such diagnoses and approximately 9,100 hospital inpatient admissions for such recipients. Of those hospital admissions, 3,400 were readmissions. The AHCA has determined that medication noncompliance is related to 50 percent of such readmissions.

The average DRG reimbursement of an inpatient admission for schizophrenia or bipolar disorder is \$4,200. Such patients may be administered high-priced Long-Acting Injectables (LAI) to treat these disorders. The administration of such LAI should decrease noncompliance rates, reduce readmissions, and improve patient outcomes. Given the bundled DRG rate, some providers are reluctant to administer such drugs, given the fact that the DRG payment is consumed by the costs of the inpatient stay and other therapies administered. By allowing for separate reimbursement (outside of the DRG) for LAI, it is expected that readmissions will decline and the drugs will become rebate eligible.¹⁰¹

340B Program

Another drug reimbursement program adopted by federal law is pursuant to 340B of the Public Health Service Act.¹⁰² It is a drug pricing program that requires drug manufacturers to provide to certain “covered entities” outpatient drugs at deeply discounted prices. A manufacturer who wants to participate in the NDRA and state Medicaid drug sales must agree to participate in the program.¹⁰³

Covered entities are:

- Federally qualified health centers;
- Ryan White HIV/AIDS Program Grantees;
- Hospitals; and
- Specialized clinics.

⁹⁷ Section 409.905(5)(f), F.S., currently s. 409.905(5)(c), F.S. (2025).

⁹⁸ Centers for Medicare & Medicaid Services, Design and development of the Diagnosis Related Group, p. 14; [https://www.cms.gov/icd10m/version37-fullcode-cms/fullcode_cms/Design_and_development_of_the_Diagnosis_Related_Group_\(DRGs\).pdf](https://www.cms.gov/icd10m/version37-fullcode-cms/fullcode_cms/Design_and_development_of_the_Diagnosis_Related_Group_(DRGs).pdf) (last visited Jan. 30, 2026)

⁹⁹ *Id.*

¹⁰⁰ Agency for Health Care Administration, *Senate Bill 1758 Fiscal Analysis* (Jan.2026) (on file with staff of the Senate Committee on Health Policy).

¹⁰¹ *Id.*

¹⁰² 42 U.S.C. § 256b.

¹⁰³ 42 U.S.C. § 256b(a)(1).

Covered entities must recertify eligibility every year.¹⁰⁴

Covered entities are permitted to buy drugs at a ceiling price.¹⁰⁵ The ceiling price is the average manufacturer price minus the Medicaid unit rebate amount.¹⁰⁶ The price can be further reduced by discounts negotiated by the covered entity or prime vendor, directly with the manufacturer (340B price).¹⁰⁷ The covered entity is able to buy all of its drugs at such 340B price, including those for patients who have private or commercial insurance, and are in Medicare or Medicaid managed care plans, or charity care.¹⁰⁸ The covered entity can then collect the difference in negotiated price with the insurer or managed care organization.¹⁰⁹ Federal law also prohibits states from billing rebates on drugs that have already been discounted through the 340B program (“duplicate discounts”).¹¹⁰

The 340B program has experienced significant growth. In 2021, it is estimated that 50,000 covered entities participate in the program.¹¹¹ Significant issues have developed within the program as to covered entities’ expansive use, through contract pharmacies, and appropriate reporting. Concerns have been raised by Medicaid programs as to duplicate discounts. A significant amount of litigation has occurred on all these topics.¹¹²

Medicaid Retrospective Reviews

An important component of Medicaid program integrity is its ability to conduct audits and reviews of paid claims. The bulk of the AHCA’s authority and statutory standards for conducting such audits or reviews are contained in s. 409.913, F.S. Federal Medicaid law also contains numerous instances by which the AHCA or managed care plans must or have the authority to require prior authorization for a particular service.

In a pair of First District Court of Appeal cases, the interplay between prior authorization and retroactive audits was at issue as to certain hospital inpatient services. In the cases of *Lee Mem’l Health Sys. Gulf Coast Med. Ctr. v. Agency for Health Care Admin.*, 272 So. 3d 431 (Fla. 1st DCA, 2019) and *N. Broward Hosp. Dist. v. Agency For Health Care Admin.*, 398 So. 3d 1038 (Fla. 1st DCA, 2024), *reh’g denied* (Jan. 3, 2025), the factual situation of both cases dealt with a retrospective audit of emergency room claims paid on behalf of noncitizens for services considered beyond what was necessary for immediate stabilization.

¹⁰⁴ 42 U.S.C. § 256b(a)(1).

¹⁰⁵ 42 C.F.R. § 10.10

¹⁰⁶ *Id.*

¹⁰⁷ Congressional Budget Office, Growth in the 340B Drug Pricing Program (September 2025), p. 25; available at: <https://www.cbo.gov/system/files/2025-09/60661-340B-program.pdf> (last visited Jan. 30, 2026).

¹⁰⁸ *Id.* at p.5.

¹⁰⁹ *Id.*

¹¹⁰ *Id.* at p.7 fn. 2.

¹¹¹ *Id.* at p. 1. *See* also fn 1.

¹¹² Congressional Research Service, The 340B Drug Discount Program: Litigation Topics and Trends (September 10, 2025); available at: <https://www.congress.gov/crs-product/R48696?q=%7B%22search%22%3A%22r48696%22%7D&s=2&r=1> (last visited Jan. 30, 2026).

Both cases dealt with the language in s. 409.905(5)(a)4., F.S., which states:

Upon implementing the prior authorization program for hospital inpatient services, the agency shall discontinue its hospital retrospective review program.

This language, which became law in 2002, was a central focus of both courts' decisions.

The Court in the *North Broward* decision did recognize that in 2020, the legislature adopted ch. 2020-156, §§ 38–39, Laws of Fla., so that s. 409.905(5)(a)4., F.S., reads as follows:

Upon implementing the prior authorization program for hospital inpatient services, the agency shall discontinue its hospital retrospective review program. *However, this subparagraph may not be construed to prevent the agency from conducting retrospective reviews under s. 409.913, including, but not limited to, reviews in which an overpayment is suspected due to a mistake or submission of an improper claim or for other reasons that do not rise to the level of fraud or abuse.* (italics added by Court).

The *North Broward* Court as its legal logic, states: (1) the 2020 amendment declares that it “confirms and clarifies” existing law,¹¹³ and (2) the legislature did not amend s. 409.913(1)(e), F.S., – the definition of “overpayment” to expand AHCA’s review of prior authorized claims, nor (3) to include prior authorized claims in s. 409.913(2), F.S., which provides general authorization to “determine possible fraud, abuse, overpayment, or recipient neglect in the Medicaid program”. Therefore, the ruling in *Gulf Coast* remains the same.

III. Effect of Proposed Changes:

Section 1 amends s. 490.904(4), F.S., to clarify that the Agency for Health Care Administration (AHCA) may conduct retrospective reviews or audit of claims for emergency medical services for noncitizens to validate necessity or the existence or duration of the emergency medical condition. Prior authorization of services would not prevent a review.

Section 2 creates s. 409.9041, F.S., to establish work or community engagement requirements for able-bodied adults who are receiving or applying for Medicaid benefits.

The AHCA, in consultation with the Department of Children and Families (DCF) and the Department of Commerce, must first develop and submit a business plan to the Governor and the Legislature as to its implementation of the work requirements. The plan must include the following:

- The methodology that will be used to determine the application of exemptions included in the bill.
- An estimate of the impact on enrollment and Medicaid program expenditures.
- A procedure for redetermining eligibility every six months for affected recipients.

¹¹³ As opposed to stating it repeals *Gulf Coast*. *North Broward* at 1044. The words “confirms and clarifies” are specifically used in Section 39 of ch., 2020-156, §§ 38–39, Laws of Fla., as the Legislative intent.

- An outreach effort to notify recipients of the work requirements must be another component.
- A methodology for providing temporary Medicaid coverage to those who become ineligible based on income earned while complying with the work requirements. The methodology should be modeled on the existing program that allows families that lose temporary cash assistance due to earnings to remain eligible for Medicaid if private medical insurance from the employer is unavailable or unaffordable.¹¹⁴

The plan must be submitted by December 1, 2026, and must be approved by the Legislature before being implemented. The bill also directs the AHCA to seek federal waiver approval to implement the bill's mandatory work and community engagement requirements.

Under the bill, all Medicaid able-bodied, adult recipients between the ages of 19 and 64 are to meet the bill's work or community engagement requirements. However, the following individuals are exempt from such work or community engagement requirements:

- Indians as defined by federal law.
- A parent, guardian, caretaker relative or family caregiver of:
 - A child younger than 14 years of age,
 - A disabled individual,
 - To qualify as a caretaker a person must have a significant relationship with the above and must provide a broad range of services.
- Former foster youth under 26 years of age.
- A veteran with a total disability, as specified under 38 C.F.R. s. 3.340 or as specified by a Veteran Affairs Disability Ratings Letter issued by the United States Department of Veterans Affairs.
- An individual:
 - Classified as medically frail under the Medicaid Institutionalized Care Program;
 - Categorized as aged, blind, or disabled under the state Medicaid program; or
 - Who has a developmental disability as defined in s. 393.063
- An individual who already meets the work requirements under SNAP.
- An individual in a residential substance use treatment program.
- An inmate in a public institution.
- A woman eligible for Medicaid pregnancy-related or postpartum care.
- A person who is receiving hospice services and has a medical prognosis with a life expectancy of six months or less.

Affected individuals may satisfy the work or community engagement requirement by participating for 80 hours a month in one or more of the following activities:

- Paid employment,
- On-the-job training,
- Vocational education training,
- Job skills training directly related to employment,
- Education directly related to employment,

¹¹⁴ Chapter 445.029, F.S. The transitional medical benefits program allows families to retain Medicaid coverage up to twelve months if the family includes a dependent child and does not achieve an average gross monthly income of more than 185 percent of the federal poverty level during the second six months of the twelve-month period.

- Satisfactory attendance at a secondary school or course of study leading to a high school equivalency diploma,
- Enrollment at least half time in a post-secondary education program to obtain a credential on the Masters Credential list,
- Any other work activity designated by the Department of Commerce, provided by a local workforce development board.

Under the bill, parents of children between 14 to 18 years old only have to engage in work or community engagement during school hours.

Individuals found in noncompliance will receive notice. The notice provides the individual a 30-day grace period to obtain compliance, after which their benefit will be terminated or they can pursue a fair hearing. The notice describes the procedure to reapply for Medicaid.

Section 3 amends s. 409.905(5)(a)4., F.S., by deleting the first sentence in that subparagraph, which is a basis for the *Gulf Coast* and *North Broward* cases. The bill amends the language to permit reviews of prior-authorized claims. The bill reiterates that the cost-effective purchasing principles of s. 409.912, F.S., apply.

Section 4 amends s.409.906, F.S., to add an optional Medicaid service for home and community-based services for behavioral health. The program is to be structured as a federal waiver and is to incorporate the following features:

- Applicable to adults eighteen and older, who:
 - Have a diagnosis of serious mental illness, and
 - Are high utilizers of behavioral health services in an institutional setting.
- Designed to reduce the need for institutional levels of care.

The bill directs the AHCA to work with the DCF on program design and cost estimates. The Legislature must approve the program and appropriate funds before it can be implemented.

Section 5 amends s. 409.91195, F.S., to authorize the Medicaid Pharmaceutical and Therapeutics Committee to develop the following additional lists, in addition to the current Preferred Drug List:

- Medicaid preferred physician-administered drug list.
- Medicaid preferred product list.
- High-cost drug list.

Under the bill, the committee, in addition to drugs purchased by Medicaid through the existing PDL and the bill's new drug lists, must also review and provide recommendations for therapeutic products and devices at least every six months. The approved drug lists must be published on the AHCA's website. Before an item is placed on or removed from the new lists, the committee must provide the opportunity for public testimony and the presentation of evidence. The committee must use the same standards of clinical efficacy, safety, and cost effectiveness as it currently uses to develop the PDL.

Section 6 amends s. 409.912, F.S., to:

- Conform the drug-control spending program to the new lists created under Section 5 of the bill.
- Direct the AHCA to compensate health care providers for long-acting injectables to severely mentally ill persons separately from hospital inpatient Diagnosis-Related Group (DRG) payments.
- Direct the AHCA to contract with a vendor to examine issues with the federal 340B program. Issues to be examined are drug purchasing reimbursement, billing, coding, dispensing and reimbursement and rebate interplay with the Medicaid program. The AHCA is directed to send out data requests to various stakeholders and is given enforcement powers to obtain data. The report is to be submitted to the Governor and the presiding officers of the Legislature by June 30, 2027.
- Reaffirm that the AHCA may conduct retrospective reviews and audits of claims regardless of prior utilization review or prior authorizations.

Section 7 amends s.409.913, F.S., to clarify that the definition of overpayment includes amounts that should not have been paid, even when a prior authorization has been granted. The bill also specifies that retrospective reviews and audits of claims are authorized even if there is a prior authorization and to make an overpayment determination.

The bill also clarifies that the AHCA may send official provider notices to the mailing address on file with the agency and that such notices may be sent through common carriers other than the U.S. Postal Service.

Section 8 creates s. 414.321, F.S., relating to Supplemental Nutrition Assistance Program (SNAP) eligibility. The bill limits SNAP eligibility to U.S. citizens and nationals, lawful permanent residents, Cuban and Haitian entrants, and individuals covered under the Compact of Free Association (i.e., individuals from the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau). These changes codify federal SNAP alien eligibility requirements into state law, aligning the state requirements with recent changes contained in the OBBBA.¹¹⁵

This section also requires SNAP participants to provide documentation evidencing shelter or utility payments during application and redetermination. The DCF is prohibited from relying solely on self-attestation under the bill regarding such payments.

Section 9 creates s. 414.332, F.S., relating to a SNAP payment accuracy plan. The bill requires the DCF to develop a comprehensive statewide plan to lower Florida's SNAP payment error rate below six percent. The plan must include the following:

- Enhanced employee training and quality assurance, through annual standardized training and frequent reviews of statistically significant samples of cases that incorporate real-time corrective feedback for staff.
- Improvement of data sourcing by maximizing the use of quality automated sources that compare income and asset data with government and private sector data sources.

¹¹⁵ *Supplemental Nutrition Assistance Program Implementation of the One Big Beautiful Bill Act of 2025 – Alien SNAP Eligibility Information Memorandum*, October 31, 2025, <https://fns-prod.azureedge.us/sites/default/files/resource-files/OBBB-Implementation-Memo-Alien-SNAP-Eligibility-Oct31.pdf#page=5>. (last visited Jan. 30, 2026).

The plan is to be submitted to the Governor and the Legislature by July 15, 2026.

Starting on October 1, 2026, and continuing through October 1, 2028, quarterly reports are to be submitted to the Governor and Legislature detailing the SNAP error rate, a breakdown of payment errors, and a corrective action plan.

Florida's SNAP payment error rate was 15.13 percent for Federal Fiscal Year (FFY) 2024.¹¹⁶ Pursuant to the OBBBA, if the DCF were to maintain this error rate, the state would be required to pay 15 percent of the cost of all SNAP benefits issued in the state during the fiscal year to which the error rate applies. This is a major fiscal shift, because SNAP benefits have historically been funded 100 percent by the federal government. Payment of state cost share begins in FFY 2028 unless the state qualifies for delayed implementation, which depends on whether the payment error rate multiplied by 1.5 is equal to or above 20 percent. Based on the delayed implementation criteria, if the DCF can reduce its error rate for FFY 2025 below 13.34 percent, FFY 2028 is the earliest the state would start to pay the state cost share. If the DCF maintains an error rate of 13.34 percent or higher into FFY 2026, then FFY 2030 is the latest the state would start to pay the state cost share.

Section 10 amends s. 414.39, F.S., to require the DCF to issue electronic benefits transfer (EBT) cards with photographic identification on the front, to the extent authorized under federal law. To implement this section, the DCF must demonstrate to the federal Food and Nutrition Service that it has successfully administered SNAP in accordance with established program performance standards.

Section 11 amends s. 414.455, F.S., to require SNAP participants aged 18 through 64, who do not have a child under the age of 14, to participate in employment and training (E&T) programs. Currently in statute, the upper age limit for required participation in E&T programs is set at 59 years of age, and it exempts individuals who have a child under the age of 18 in the home. These proposed changes align state law with the federal changes in the OBBBA.¹¹⁷

This section also directs the DCF to comply with all exemptions from work requirements in accordance with applicable federal law.

Section 12 makes a conforming change to a statutory reference to align with other provisions in the bill.

The bill takes effect July 1, 2026.

¹¹⁶ Fiscal Year 2024 SNAP Quality Control Payment Error Rates, at <https://fns-prod.azureedge.us/sites/default/files/resource-files/snap-fy24QC-PER.pdf>.

¹¹⁷ U.S. Department of Agriculture, *Supplemental Nutrition Assistance Program Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum*, Sept. 4, 2025, at pg. 2, <https://fns-prod.azureedge.us/sites/default/files/resource-files/OBBB-SNAP-Provisions-Implementation-Memo.pdf>.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None identified.

B. Public Records/Open Meetings Issues:

None identified.

C. Trust Funds Restrictions:

None identified.

D. State Tax or Fee Increases:

None identified.

E. Other Constitutional Issues:

None identified.

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

None identified.

B. Private Sector Impact:

Hospitals are likely to experience a significant positive fiscal impact from the bill's provisions relating to reimbursement for long-acting injectables administered on an inpatient basis.

C. Government Sector Impact:

The bill will have a significant recurring negative fiscal impact on state expenditures in the first fiscal year and an indeterminate positive fiscal impact on the Florida Medicaid Program and the Supplemental Nutrition Assistance Program (SNAP) in future years.

Retrospective Reviews or Audits

The bill will have a significant recurring positive fiscal impact on the Florida Medicaid program by addressing the Agency for Health Care Administration's (AHCA) current inability to audit prior-authorized claims under prevailing case law. The AHCA estimates the clarification of law will allow it avoid an estimated \$12 million in annual losses.¹¹⁸

¹¹⁸ Agency for Health Care Administration, *SB 1758 Fiscal Analysis* (Jan.2026) (on file with Senate Committee on Health Policy).

Home and Community-based Behavioral Health Services

The bill will have a significant recurring negative fiscal impact on Florida Medicaid expenditures (\$25.6 million) and an indeterminate positive fiscal impact on expenditures within the Department of Children and Families (DCF) related to implementation of the waiver for home and community-based behavioral health services. The fiscal impact associated with this portion of the bill will be delayed, as the waiver cannot be implemented until both federal approval of the program and legislative approval of the associated costs have been granted.¹¹⁹

Medicaid Work and Community Engagement Requirements

The bill will have a significant positive fiscal impact on Florida Medicaid expenditures and an indeterminate negative fiscal impact on expenditures within the DCF related to Medicaid work and community engagement requirements. An estimated 111,789 Medicaid recipients would not be exempt from the bill's work and community engagement requirements. Assuming that 25 percent of these individuals are removed from the Florida Medicaid program due to noncompliance, approximately \$80.2 million in savings could be realized within the program.¹²⁰

The costs of implementing, monitoring, and enforcing the requirements are indeterminate and will not be known until the AHCA completes the business plan required to be submitted in December 2026.

Long-Acting Injectables (LAI)

The bill will have a significant recurring negative fiscal impact on Medicaid program expenditures (\$14.8 million) due to the change in reimbursement methodology and the anticipated increase in utilization of long-acting injectables (LAIs). However, the bill is expected to have a significant recurring positive fiscal impact on state revenues (estimated at \$7.4 million beginning in the second year) due to the AHCA's ability to collect pharmacy rebates on LAIs reimbursed under the new methodology. In addition, there will be an indeterminate positive fiscal impact associated with the avoidance of costly services typically required when the targeted population is not adequately medicated for severe mental illness.

New Medicaid Drug and Product Lists

The AHCA estimates recurring costs of \$1.7 million to create and maintain the preferred physician-administered drug list, preferred product list, and high-cost drug list. The agency also estimates an additional \$10 million in pharmacy rebate revenues resulting from implementation of the new drug and product lists.

¹¹⁹ Agency for Health Care Administration, *SB 1758 Fiscal Analysis* (Jan.2026) (on file with Senate Committee on Health Policy).

¹²⁰ *Id.*

Fiscal Impact Study to Evaluate the 340B Drug Pricing Program

The AHCA anticipates a nonrecurring cost of \$750,000 to contract with a vendor for this study.

SNAP Photo-EBT Cards

The DCF estimates that transitioning to photo electronic benefits transfer (EBT) cards will require its current EBT vendor to upgrade card production systems and add secure image storage and new data exchange capabilities. An estimate from the vendor indicates a one-time system change fee of \$331,500 and approximately \$8.95 million to implement the enhancement over a two-year period (\$372,750 per month for 24 months). Following the two-year rollout, costs are projected to be recurring at \$170,000 per month, or \$2,040,000 annually. In addition, the DCF anticipates significant, but indeterminate, costs for potential technology upgrades to the ACCESS Florida System.¹²¹

VI. Technical Deficiencies:

None identified.

VII. Related Issues:

None identified.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 409.904, 409.905, 409.906, 409.91195, 409.912, 409.913, 414.39, 414.455, and 409.91196.

This bill creates the following sections of the Florida Statutes: 409.9041, 414.321, and 414.332.

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 on March 2, 2026:

The committee substitute:

- Requires the Agency for Health Care Administration to provide for transitional Medicaid coverage in its work requirement implementation plan for individuals losing eligibility due to earned income, using similar parameters to those that enable families who lose temporary cash assistance to retain Medicaid coverage under s. 445.029, F.S.
- Exempts individuals receiving hospice services with a life expectancy of less than six months from Medicaid work and community engagement requirements.

¹²¹ Department of Children and Families, *SB 1758 Fiscal Analysis* (Feb. 2026) (on file with Senate Appropriations Committee on Health and Human Services).

CS by Health Policy on February 2, 2026:

The CS makes three changes to the underlying bill regarding the Medicaid Preferred Drug List and the other similar lists created by the bill. The CS:

- Requires the Agency for Health Care Administration's (AHCA) Pharmaceutical and Therapeutics Committee to review the contents of the Preferred Drug List and the bill's newly-created lists every six months;
- Requires the Pharmaceutical and Therapeutics Committee to take public testimony before making recommendations to the AHCA about changing the contents of the bill's new High-cost Drug List; and
- Adds requirements for the High-cost Drug List to match requirements for prior authorization that are already in place for the existing Preferred Drug List, in terms of requiring an expeditious response to a request for prior authorization for one of the drugs on the list. Under the CS, a response is required within 24 hours, and a three-day supply of the drug is required to be issued in emergency situations or when the 24-hour deadline for a prior-authorization response is not met.

B. Amendments:

None.



597682

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment

Delete line 195
and insert:
and expenditures. The plan must also include a methodology to
provide those Medicaid recipients who stand to lose Medicaid
eligibility due to earning income under the requirements of
subsection (3) with a transition period to temporarily maintain
eligibility, under parameters similar to those that enable a
family eligible for temporary cash assistance to temporarily



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11 maintain Medicaid eligibility under s. 445.029. The agency shall
12 submit the plan to the



562600

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment

Between lines 228 and 229
insert:

10. A person receiving hospice services under part IV of
chapter 400 who has a medical prognosis that his or her life
expectancy is 6 months or less if his or her illness runs its
normal course.

By the Committee on Health Policy; and Senators Gaetz and Brodeur

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1 A bill to be entitled
 2 An act relating to public assistance; amending s.
 3 409.904, F.S.; authorizing the Agency for Health Care
 4 Administration to conduct retrospective reviews and
 5 audits of certain claims under the state Medicaid
 6 program for a specified purpose; creating s. 409.9041,
 7 F.S.; providing legislative findings; requiring the
 8 agency to seek federal approval to implement mandatory
 9 work and community engagement requirements for able-
 10 bodied adults as a condition of obtaining and
 11 maintaining Medicaid coverage; prohibiting the agency
 12 from implementing such requirements until certain
 13 conditions are met; requiring the agency, in
 14 consultation with the Department of Children and
 15 Families, to develop a business plan to implement
 16 specified provisions; specifying requirements for the
 17 plan; requiring the agency to submit the plan to the
 18 Governor and the Legislature by a specified date;
 19 specifying populations that are subject to such work
 20 and community engagement requirements; providing
 21 exceptions; defining the term "family caregiver";
 22 specifying the types of activities which may satisfy
 23 the work and community engagement requirements;
 24 providing that a certain population is required to
 25 engage in work or community engagement activities only
 26 during standard school hours; requiring persons
 27 eligible for Medicaid to demonstrate compliance with
 28 the work and community engagement requirements at
 29 specified times as a condition of maintaining Medicaid

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30 coverage; requiring the agency to develop a process
 31 for ensuring compliance with the work and community
 32 engagement requirements; requiring that such process
 33 align, to the extent possible, with certain existing
 34 processes; requiring the department to verify
 35 compliance with the work and community engagement
 36 requirements at specified intervals; requiring the
 37 agency, in coordination with the department, to
 38 conduct outreach regarding implementation of the work
 39 and community engagement requirements; specifying
 40 requirements for such outreach; specifying procedures
 41 in the event of noncompliance; requiring the agency,
 42 in coordination with the department, to notify a
 43 Medicaid recipient of a finding of noncompliance and
 44 the impact to eligibility for continued receipt of
 45 services; specifying requirements for such notice;
 46 amending s. 409.905, F.S.; deleting a requirement that
 47 the agency discontinue its hospital retrospective
 48 review program under certain circumstances; revising
 49 construction; requiring the agency to maintain cost-
 50 effective purchasing practices in its coverage of
 51 hospital inpatient services rendered to Medicaid
 52 recipients; amending s. 409.906, F.S.; requiring the
 53 agency to seek federal approval to implement a program
 54 for expanded coverage of home- and community-based
 55 behavioral health services for a specified population;
 56 specifying the goal of the program; requiring the
 57 agency to work in coordination with the department to
 58 develop the program; requiring the agency and the

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59 department to develop certain estimates and submit
 60 them to the Legislature in a specified manner before
 61 the program may be implemented; amending s. 409.91195,
 62 F.S.; revising the purpose of the Medicaid
 63 Pharmaceutical and Therapeutics Committee to include
 64 creation of a Medicaid preferred physician-
 65 administered drug list, a Medicaid preferred product
 66 list, and a high-cost drug list; requiring the agency
 67 to adopt such lists upon recommendation of the
 68 committee; specifying the frequency with which the
 69 committee must review such lists for any recommended
 70 additions or deletions; specifying parameters for such
 71 recommended additions and deletions; providing that
 72 reimbursement for drugs not included on such lists is
 73 subject to prior authorization, with an exception;
 74 requiring the agency to publish and disseminate such
 75 lists to all Medicaid providers in the state by
 76 posting on the agency's website or in other media;
 77 providing requirements for public testimony related to
 78 proposed inclusions on or exclusions from certain
 79 lists; requiring the committee to consider certain
 80 factors when developing such recommended additions and
 81 deletions; amending s. 409.912, F.S.; revising the
 82 components of the Medicaid prescribed-drug spending-
 83 control program to include the preferred physician-
 84 administered drug list, the preferred product list,
 85 and the high-cost drug list; providing requirements
 86 for such lists; providing that the agency does not
 87 need to follow rulemaking procedures of ch. 120, F.S.,

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88 when posting updates to such lists; requiring the
 89 agency to establish certain procedures relating to
 90 prior authorization requests for drugs on the high-
 91 cost drug list; establishing an alternative
 92 reimbursement methodology for long-acting injectables
 93 administered in a hospital facility setting for severe
 94 mental illness; requiring the agency to contract with
 95 a vendor to perform a fiscal impact study of the
 96 federal 340B Drug Pricing Program; providing
 97 requirements for the study; requiring specified
 98 entities to submit certain data to the agency for
 99 purposes of the study; providing that noncompliance
 100 with such requirement may result in sanctions from the
 101 agency or the Board of Pharmacy, as applicable;
 102 requiring the agency to submit the results of the
 103 study to the Governor and the Legislature by a
 104 specified date; providing construction; amending s.
 105 409.913, F.S.; revising the definition of the term
 106 "overpayment"; providing that determinations of an
 107 overpayment under the Medicaid program may be based
 108 upon retrospective reviews, investigations, analyses,
 109 or audits conducted by the agency to determine
 110 possible fraud, abuse, overpayment, or recipient
 111 neglect; providing that certain notices may be
 112 provided using other common carriers, as well as
 113 through the United States Postal Service; creating s.
 114 414.321, F.S.; requiring the department to limit
 115 eligibility for food assistance to individuals meeting
 116 specified criteria; requiring that food assistance

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117 recipients provide certain documentation for purposes
 118 of eligibility redeterminations; prohibiting the
 119 department from relying solely on an individual's
 120 self-attestations to determine certain expenses;
 121 authorizing the department to adopt policies and
 122 procedures to accommodate certain applicants and
 123 recipients; creating s. 414.332, F.S.; requiring the
 124 department to develop and implement a food assistance
 125 payment accuracy improvement plan for a specified
 126 purpose; requiring the department to reduce the
 127 payment error rate to below a specified percentage;
 128 providing requirements for the plan; requiring the
 129 department to submit the plan to the Governor and the
 130 Legislature by a specified date; requiring the
 131 department, by a specified date, to submit quarterly
 132 progress reports of specified information to the
 133 Governor and the Legislature; providing for future
 134 repeal; amending s. 414.39, F.S.; requiring the
 135 department to require photographic identification on
 136 the front of electronic benefits transfer (EBT) cards,
 137 to the extent allowable under federal law; amending s.
 138 414.455, F.S.; revising criteria for individuals
 139 required to participate in an employment and training
 140 program to receive food assistance from the
 141 Supplemental Nutrition Assistance Program; requiring
 142 the department to apply and comply with certain work
 143 requirements in accordance with federal law for food
 144 assistance; amending s. 409.91196, F.S.; conforming a
 145 cross-reference; providing an effective date.

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146
 147 Be It Enacted by the Legislature of the State of Florida:
 148
 149 Section 1. Subsection (4) of section 409.904, Florida
 150 Statutes, is amended to read:
 151 409.904 Optional payments for eligible persons.—The agency
 152 may make payments for medical assistance and related services on
 153 behalf of the following persons who are determined to be
 154 eligible subject to the income, assets, and categorical
 155 eligibility tests set forth in federal and state law. Payment on
 156 behalf of these Medicaid eligible persons is subject to the
 157 availability of moneys and any limitations established by the
 158 General Appropriations Act or chapter 216.
 159 (4) A low-income person who meets all other requirements
 160 for Medicaid eligibility except citizenship and who is in need
 161 of emergency medical services. The eligibility of such a
 162 recipient is limited to the period of the emergency, in
 163 accordance with federal regulations. The agency may conduct
 164 retrospective reviews or audits of services rendered to the
 165 individual and claims submitted by the provider to validate the
 166 existence and duration of the emergency medical condition and
 167 whether the services rendered were necessary to treat the
 168 emergency medical condition, regardless of whether the provider
 169 obtained prior authorization for the services.
 170 Section 2. Section 409.9041, Florida Statutes, is created
 171 to read:
 172 409.9041 Medicaid work and community engagement
 173 requirements.—
 174 (1) The Legislature finds that assisting able-bodied adult

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Medicaid recipients in achieving self-sufficiency through meaningful work and community engagement is essential to ensuring that the state Medicaid program remains a sustainable resource for residents who are most in need of such assistance.

(2)(a) The agency shall seek federal approval to implement mandatory work and community engagement requirements for able-bodied adults, as specified in this section, as a condition of obtaining and maintaining coverage under the state Medicaid program. The agency may not implement the mandatory work and community engagement requirements until it receives federal approval through a Medicaid waiver and the agency's business plan submitted under paragraph (b) is specifically approved by the Legislature.

(b) The agency shall, in consultation with the Department of Children and Families and the Department of Commerce, develop a business plan to implement this section. The plan must include methods for determining Medicaid eligibility and the applicability of exemptions under subsections (3) and (4) on an ongoing basis and an analysis representing the potential effects that implementing this section will have on Medicaid enrollment and expenditures. The agency shall submit the plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives no later than December 1, 2026.

(3)(a) Medicaid recipients between the ages of 19 and 64 years, inclusive, must meet the work or community engagement requirements of this section, unless they are one of the following:

1. Indian as defined under 42 C.F.R. s. 438.14(a).
2. A parent, guardian, caretaker relative, or family

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caregiver of a dependent child younger than 14 years of age or of a disabled individual. For purposes of this paragraph, the term "family caregiver" means an adult family member or other individual who has a significant relationship with, and who provides a broad range of assistance to, an individual with a chronic or other health condition, disability, or functional limitation.

3. Former foster youth younger than 26 years of age.

4. A veteran with a total disability, as specified under 38 C.F.R. s. 3.340 or as specified by a Veteran Affairs Disability Ratings Letter issued by the United States Department of Veterans Affairs.

5. An individual classified as medically frail under the Medicaid Institutionalized Care Program; categorized as aged, blind, or disabled under the state Medicaid program; or who has a developmental disability as defined in s. 393.063.

6. An individual living in a household that receives Supplemental Nutrition Assistance Program benefits and who is already in compliance with work requirements pursuant to s. 445.024.

7. An individual participating in a residential substance use treatment program.

8. An inmate of a public institution.

9. A woman eligible for Medicaid coverage in a pregnancy-related or postpartum care category.

(b) A person may satisfy the work or community engagement requirements of this section by participating in one or more of the following activities for at least 80 hours per month:

1. Paid employment.

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- 233 2. On-the-job-training.
 234 3. Vocational educational training.
 235 4. Job skills training directly related to employment.
 236 5. Education directly related to employment.
 237 6. Satisfactory attendance at a secondary school or in a
 238 course of study leading to a high school equivalency diploma.
 239 7. Enrollment at least half-time as defined in 34 C.F.R. s.
 240 668.2(b) in a postsecondary education program to obtain a
 241 credential on the Master Credentials List as maintained pursuant
 242 to s. 445.004(6)(e).
 243 8. Any other work activity designated as such by the
 244 Department of Commerce and provided by a local workforce
 245 development board pursuant to s. 445.024.
 246 (c) Parents with children ages 14 through 18 are required
 247 to engage in work or community engagement activities only during
 248 standard school hours.
 249 (4)(a) Notwithstanding any other statutory provision, in
 250 order to maintain Medicaid coverage, an eligible Medicaid
 251 recipient must, before enrollment and upon any redetermination
 252 for coverage, demonstrate compliance with the work or community
 253 engagement requirements of this section.
 254 (b) The agency shall develop a process for ensuring
 255 compliance with this section which aligns, to the extent
 256 possible, with the processes currently in place relating to work
 257 and community engagement requirements authorized under the
 258 state's Supplemental Nutrition Assistance Program, including,
 259 but not limited to, participant registration with a local
 260 CareerSource center, employment and training programs, and
 261 collaboration with the state's local workforce boards.

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- 262 (c) The department shall verify, in accordance with its
 263 procedures, that an individual subject to the work and community
 264 engagement requirements of this section demonstrates compliance
 265 during the individual's regularly scheduled redetermination of
 266 eligibility and at least every 6 months thereafter.
 267 (5) The agency, in coordination with the department, shall
 268 conduct outreach regarding the implementation of the work and
 269 community engagement requirements of this section. The outreach
 270 must include, at a minimum, notification to impacted
 271 individuals, including timelines for implementation,
 272 requirements for compliance, penalties for noncompliance, and
 273 information on how to request an exemption.
 274 (6) If a recipient subject to the work and community
 275 engagement requirements of this section is determined to be in
 276 noncompliance with such requirements, the agency, in
 277 coordination with the department, must notify the recipient of
 278 the finding of noncompliance and the impact to his or her
 279 eligibility for continued receipt of Medicaid services. The
 280 notice must include, at a minimum, notification of all of the
 281 following:
 282 (a) That the recipient is eligible for a grace period of 30
 283 days to either come into compliance with the requirements or
 284 request an exemption from the requirements and that Medicaid
 285 coverage of services will continue during the grace period.
 286 (b) That if, following the 30-day period, the individual
 287 has not come into compliance with or requested an exemption from
 288 the work and community engagement requirements, his or her
 289 application for assistance will be denied and services
 290 terminated at the end of the month following the month in which

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such 30-calendar-day period ends.

(c) The right of the individual to request a fair hearing if he or she is determined to be noncompliant with program requirements and disenrolled from the state Medicaid program.

(d) The manner in which he or she can reapply for medical assistance under the state Medicaid program.

Section 3. Paragraph (a) of subsection (5) of section 409.905, Florida Statutes, is amended, and paragraph (f) is added to that subsection, to read:

409.905 Mandatory Medicaid services.—The agency may make payments for the following services, which are required of the state by Title XIX of the Social Security Act, furnished by Medicaid providers to recipients who are determined to be eligible on the dates on which the services were provided. Any service under this section shall be provided only when medically necessary and in accordance with state and federal law. Mandatory services rendered by providers in mobile units to Medicaid recipients may be restricted by the agency. Nothing in this section shall be construed to prevent or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, number of services, or any other adjustments necessary to comply with the availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216.

(5) HOSPITAL INPATIENT SERVICES.—The agency shall pay for all covered services provided for the medical care and treatment of a recipient who is admitted as an inpatient by a licensed physician or dentist to a hospital licensed under part I of chapter 395. However, the agency shall limit the payment for

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inpatient hospital services for a Medicaid recipient 21 years of age or older to 45 days or the number of days necessary to comply with the General Appropriations Act.

(a)1. The agency may implement reimbursement and utilization management reforms in order to comply with any limitations or directions in the General Appropriations Act, which may include, but are not limited to: prior authorization for inpatient psychiatric days; prior authorization for nonemergency hospital inpatient admissions for individuals 21 years of age and older; authorization of emergency and urgent-care admissions within 24 hours after admission; enhanced utilization and concurrent review programs for highly utilized services; reduction or elimination of covered days of service; adjusting reimbursement ceilings for variable costs; adjusting reimbursement ceilings for fixed and property costs; and implementing target rates of increase.

2. The agency may limit prior authorization for hospital inpatient services to selected diagnosis-related groups, based on an analysis of the cost and potential for unnecessary hospitalizations represented by certain diagnoses. Admissions for normal delivery and newborns are exempt from requirements for prior authorization.

3. In implementing the provisions of this section related to prior authorization, the agency shall ensure that the process for authorization is accessible 24 hours per day, 7 days per week and authorization is automatically granted when not denied within 4 hours after the request. Authorization procedures must include steps for review of denials.

4. ~~Upon implementing the prior authorization program for~~

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~~hospital inpatient services, the agency shall discontinue its hospital retrospective review program. However, This paragraph subparagraph~~ may not be construed to prevent the agency from conducting retrospective reviews under s. 409.913, including, but not limited to, reviews of prior-authorized claims and reviews in which an overpayment is suspected due to a mistake or submission of an improper claim or for other reasons that do not rise to the level of fraud or abuse.

(f) In its coverage of services under this subsection, the agency shall maintain cost-effective purchasing practices as required by s. 409.912.

Section 4. Present subsections (14) through (29) of section 409.906, Florida Statutes, are redesignated as subsections (15) through (30), respectively, and a new subsection (14) is added to that section, to read:

409.906 Optional Medicaid services.—Subject to specific appropriations, the agency may make payments for services which are optional to the state under Title XIX of the Social Security Act and are furnished by Medicaid providers to recipients who are determined to be eligible on the dates on which the services were provided. Any optional service that is provided shall be provided only when medically necessary and in accordance with state and federal law. Optional services rendered by providers in mobile units to Medicaid recipients may be restricted or prohibited by the agency. Nothing in this section shall be construed to prevent or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or making any other adjustments necessary to comply with the availability of moneys and any limitations or

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directions provided for in the General Appropriations Act or chapter 216. If necessary to safeguard the state's systems of providing services to elderly and disabled persons and subject to the notice and review provisions of s. 216.177, the Governor may direct the Agency for Health Care Administration to amend the Medicaid state plan to delete the optional Medicaid service known as "Intermediate Care Facilities for the Developmentally Disabled." Optional services may include:

(14) HOME- AND COMMUNITY-BASED BEHAVIORAL HEALTH SERVICES.—
The agency shall seek federal approval to implement a program that covers an expanded array of home- and community-based services for adults 18 years of age and older diagnosed with a serious mental illness who are high utilizers of behavioral health services in an institutional setting. The program must be designed to reduce the need for institutional levels of care for adults with a serious mental illness. The agency shall work in coordination with the Department of Children and Families to develop the program. The agency and the department shall produce estimates of the program's potential costs to the Medicaid program and cost-savings for the department. Such estimates must be submitted to the Legislature as legislative budget requests and appropriated in the General Appropriations Act before the program may be implemented.

Section 5. Section 409.91195, Florida Statutes, is amended to read:

409.91195 Medicaid Pharmaceutical and Therapeutics Committee.—There is created a Medicaid Pharmaceutical and Therapeutics Committee within the agency for the purpose of developing a Medicaid preferred drug list, a Medicaid preferred

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physician-administered drug list, a Medicaid preferred product list, and a high-cost drug list.

(1) The committee shall be composed of 11 members appointed by the Governor. Four members shall be physicians, licensed under chapter 458; one member licensed under chapter 459; five members shall be pharmacists licensed under chapter 465; and one member shall be a consumer representative. The members shall be appointed to serve for terms of 2 years from the date of their appointment. Members may be appointed to more than one term. The agency shall serve as staff for the committee and assist them with all ministerial duties. The Governor shall ensure that at least some of the members of the committee represent Medicaid participating physicians and pharmacies serving all segments and diversity of the Medicaid population, and have experience in either developing or practicing under a preferred drug list. At least one of the members shall represent the interests of pharmaceutical manufacturers.

(2) Committee members shall select a chairperson and a vice chairperson each year from the committee membership.

(3) The committee shall meet at least quarterly and may meet at other times at the discretion of the chairperson and members. The committee shall comply with rules adopted by the agency, including notice of any meeting of the committee pursuant to the requirements of the Administrative Procedure Act.

(4) Upon recommendation of the committee, the agency shall adopt a preferred drug list, a preferred physician-administered drug list, a preferred product list, and a high-cost drug list as described in s. 409.912(5). To the extent feasible, the

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committee shall review all drug or product classes included on the preferred drug list, the preferred physician-administered drug list, the preferred product list, and the high-cost drug list every 6 ~~12~~ months, and may recommend additions to and deletions from the ~~lists preferred drug list~~, such that the ~~lists provide preferred drug list provides~~ for medically appropriate drug and product therapies for Medicaid patients which achieve cost savings contained in the General Appropriations Act.

(5) Except for antiretroviral drugs, reimbursement of drugs not included on the preferred drug list, preferred physician-administered drug list, preferred product list, or high-cost drug list is subject to prior authorization.

(6) The agency shall publish and disseminate the preferred drug list, preferred physician-administered drug list, preferred product list, and high-cost drug list to all Medicaid providers in the state by Internet posting on the agency's website or in other media.

(7) The committee shall ensure that interested parties, including pharmaceutical manufacturers agreeing to provide a supplemental rebate as outlined in this chapter, have an opportunity to present public testimony to the committee with information or evidence supporting inclusion of a drug or product on the preferred drug list, preferred physician-administered drug list, preferred product list, or high-cost drug list. Such public testimony must ~~shall~~ occur before ~~prior~~ to any recommendations made by the committee for inclusion or exclusion from the preferred drug list, preferred physician-administered drug list, preferred product list, or high-cost

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465 drug list. Upon timely notice, the agency shall ensure that any
 466 drug that has been approved or had any of its particular uses
 467 approved by the United States Food and Drug Administration under
 468 a priority review classification will be reviewed by the
 469 committee at the next regularly scheduled meeting following 3
 470 months of distribution of the drug to the general public.

471 (8) The committee shall develop its preferred drug list,
 472 preferred physician-administered drug list, preferred product
 473 list, and high-cost drug list recommendations by considering the
 474 clinical efficacy, safety, and cost-effectiveness of a product.

475 (9) The Medicaid Pharmaceutical and Therapeutics Committee
 476 may also make recommendations to the agency regarding the prior
 477 authorization of any prescribed drug covered by Medicaid.

478 (10) Medicaid recipients may appeal agency preferred drug
 479 formulary decisions using the Medicaid fair hearing process
 480 administered by the Agency for Health Care Administration.

481 Section 6. Paragraph (a) of subsection (5) of section
 482 409.912, Florida Statutes, is amended, and subsection (14) is
 483 added to that section, to read:

484 409.912 Cost-effective purchasing of health care.—The
 485 agency shall purchase goods and services for Medicaid recipients
 486 in the most cost-effective manner consistent with the delivery
 487 of quality medical care. To ensure that medical services are
 488 effectively utilized, the agency may, in any case, require a
 489 confirmation or second physician's opinion of the correct
 490 diagnosis for purposes of authorizing future services under the
 491 Medicaid program. This section does not restrict access to
 492 emergency services or poststabilization care services as defined
 493 in 42 C.F.R. s. 438.114. Such confirmation or second opinion

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494 shall be rendered in a manner approved by the agency. The agency
 495 shall maximize the use of prepaid per capita and prepaid
 496 aggregate fixed-sum basis services when appropriate and other
 497 alternative service delivery and reimbursement methodologies,
 498 including competitive bidding pursuant to s. 287.057, designed
 499 to facilitate the cost-effective purchase of a case-managed
 500 continuum of care. The agency shall also require providers to
 501 minimize the exposure of recipients to the need for acute
 502 inpatient, custodial, and other institutional care and the
 503 inappropriate or unnecessary use of high-cost services. The
 504 agency shall contract with a vendor to monitor and evaluate the
 505 clinical practice patterns of providers in order to identify
 506 trends that are outside the normal practice patterns of a
 507 provider's professional peers or the national guidelines of a
 508 provider's professional association. The vendor must be able to
 509 provide information and counseling to a provider whose practice
 510 patterns are outside the norms, in consultation with the agency,
 511 to improve patient care and reduce inappropriate utilization.
 512 The agency may mandate prior authorization, drug therapy
 513 management, or disease management participation for certain
 514 populations of Medicaid beneficiaries, certain drug classes, or
 515 particular drugs to prevent fraud, abuse, overuse, and possible
 516 dangerous drug interactions. The Pharmaceutical and Therapeutics
 517 Committee shall make recommendations to the agency on drugs for
 518 which prior authorization is required. The agency shall inform
 519 the Pharmaceutical and Therapeutics Committee of its decisions
 520 regarding drugs subject to prior authorization. The agency is
 521 authorized to limit the entities it contracts with or enrolls as
 522 Medicaid providers by developing a provider network through

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provider credentialing. The agency may competitively bid single-source-provider contracts if procurement of goods or services results in demonstrated cost savings to the state without limiting access to care. The agency may limit its network based on the assessment of beneficiary access to care, provider availability, provider quality standards, time and distance standards for access to care, the cultural competence of the provider network, demographic characteristics of Medicaid beneficiaries, practice and provider-to-beneficiary standards, appointment wait times, beneficiary use of services, provider turnover, provider profiling, provider licensure history, previous program integrity investigations and findings, peer review, provider Medicaid policy and billing compliance records, clinical and medical record audits, and other factors. Providers are not entitled to enrollment in the Medicaid provider network. The agency shall determine instances in which allowing Medicaid beneficiaries to purchase durable medical equipment and other goods is less expensive to the Medicaid program than long-term rental of the equipment or goods. The agency may establish rules to facilitate purchases in lieu of long-term rentals in order to protect against fraud and abuse in the Medicaid program as defined in s. 409.913. The agency may seek federal waivers necessary to administer these policies.

(5)(a) The agency shall implement a Medicaid prescribed-drug spending-control program that includes the following components:

1. A Medicaid preferred drug list and a Medicaid physician-administered drug list. The preferred drug list, ~~which~~ shall be a listing of cost-effective therapeutic options recommended by

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the Medicaid Pharmacy and Therapeutics Committee established pursuant to s. 409.91195 and adopted by the agency for each therapeutic class on the preferred drug list. At the discretion of the committee, and when feasible, the preferred drug list should include at least two products in a therapeutic class. The physician-administered drug list shall be a listing of physician-administered drugs covered by the state Medicaid program, based on the United States Food and Drug Administration's approved indications and compendia in 42 U.S.C. s. 1396r-8(g)(1)(B). Within the preferred physician-administered drug list, there must be a section containing a list of preferred physician-administered drugs that are cost-effective therapeutic options recommended by the Medicaid Pharmaceutical and Therapeutics Committee established pursuant to s. 409.91195. The physician-administered drug list must be updated at least twice a year. The agency may post and update the preferred drug list and the preferred physician-administered drug ~~updates to~~ the list on the agency's ~~an Internet~~ website without following the rulemaking procedures of chapter 120. Antiretroviral agents are excluded from the preferred drug list. The agency shall also limit the amount of a prescribed drug dispensed to no more than a 34-day supply unless the drug products' smallest marketed package is greater than a 34-day supply, or the drug is determined by the agency to be a maintenance drug in which case a 100-day maximum supply may be authorized. The agency may seek any federal waivers necessary to implement these cost-control programs and to continue participation in the federal Medicaid rebate program, or alternatively to negotiate state-only manufacturer rebates. The agency may adopt rules to administer

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581 this subparagraph. The agency shall continue to provide
 582 unlimited contraceptive drugs and items. The agency must
 583 establish procedures to ensure that:

584 a. There is a response to a request for prior authorization
 585 by telephone or other telecommunication device within 24 hours
 586 after receipt of a request for prior authorization; and

587 b. A 72-hour supply of the drug prescribed is provided in
 588 an emergency or when the agency does not provide a response
 589 within 24 hours as required by sub-subparagraph a.

590 2. A Medicaid preferred product list, which shall be a
 591 listing of cost-effective therapeutic supplies recommended by
 592 the Medicaid Pharmaceutical and Therapeutics Committee
 593 established pursuant to s. 409.91195 and adopted by the agency
 594 for each product class listed on the preferred product list and
 595 reimbursed by the state Medicaid program through the pharmacy
 596 point-of-sale. The agency may post the preferred product list
 597 and updates to the list on the agency's website without
 598 following the rulemaking procedures of chapter 120.

599 3. A list of high-cost drugs recommended by the Medicaid
 600 Pharmaceutical and Therapeutics Committee established pursuant
 601 to s. 409.91195 and adopted by the agency, for the purpose of
 602 coverage, reimbursement, or billing guidance. The agency may
 603 post the high-cost drug list and updates to the list on the
 604 agency's website without following the rulemaking procedures of
 605 chapter 120. The agency must establish procedures to ensure
 606 that:

607 a. There is a response to a request for prior authorization
 608 for a high-cost drug by telephone or other telecommunication
 609 device within 24 hours after receipt of the request for prior

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610 authorization; and

611 b. A 72-hour supply of the high-cost drug prescribed is
 612 provided in an emergency or when the agency does not provide a
 613 response to a prior authorization request within 24 hours as
 614 required by sub-subparagraph a.

615 4. A provider of prescribed drugs is reimbursed in an
 616 amount not to exceed the lesser of the actual acquisition cost
 617 based on the Centers for Medicare and Medicaid Services National
 618 Average Drug Acquisition Cost pricing files plus a professional
 619 dispensing fee, the wholesale acquisition cost plus a
 620 professional dispensing fee, the state maximum allowable cost
 621 plus a professional dispensing fee, or the usual and customary
 622 charge billed by the provider.

623 5. A hospital facility administering long-acting
 624 injectables for severe mental illness shall be reimbursed
 625 separately from the diagnosis-related group. Long-acting
 626 injectables administered for severe mental illness in a hospital
 627 facility setting shall be reimbursed at no less than the actual
 628 acquisition cost of the drug.

629 6. The agency shall contract with a vendor to perform a
 630 detailed fiscal impact study to evaluate the 340B Drug Pricing
 631 Program administered by the Health Resources and Services
 632 Administration. The study must evaluate 340B compliance, 340B
 633 drug purchases, and reimbursement methodologies within the fee-
 634 for-service program and Statewide Medicaid Managed Care program.
 635 Statewide Medicaid Managed Care plans, pharmacy benefit
 636 managers, and Medicaid providers shall submit to the agency all
 637 data necessary for the completion of the study, including, but
 638 not limited to, information related to drug purchasing,

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reimbursement, billing and coding, and dispensing. Noncompliance with the 340B data submission requirements of this subparagraph may result in sanctions from the agency or the Board of Pharmacy, as applicable. The agency shall submit the results of the study to the Governor, the President of the Senate, and the Speaker of the House of Representatives by June 30, 2027.

~~7.3-~~ The agency shall develop and implement a process for managing the drug therapies of Medicaid recipients who are using significant numbers of prescribed drugs each month. The management process may include, but is not limited to, comprehensive, physician-directed medical-record reviews, claims analyses, and case evaluations to determine the medical necessity and appropriateness of a patient's treatment plan and drug therapies. The agency may contract with a private organization to provide drug-program-management services. The Medicaid drug benefit management program shall include initiatives to manage drug therapies for HIV/AIDS patients, patients using 20 or more unique prescriptions in a 180-day period, and the top 1,000 patients in annual spending. The agency shall enroll any Medicaid recipient in the drug benefit management program if he or she meets the specifications of this provision and is not enrolled in a Medicaid health maintenance organization.

~~8.4-~~ The agency may limit the size of its pharmacy network based on need, competitive bidding, price negotiations, credentialing, or similar criteria. The agency shall give special consideration to rural areas in determining the size and location of pharmacies included in the Medicaid pharmacy network. A pharmacy credentialing process may include criteria

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such as a pharmacy's full-service status, location, size, patient educational programs, patient consultation, disease management services, and other characteristics. The agency may impose a moratorium on Medicaid pharmacy enrollment if it is determined that it has a sufficient number of Medicaid-participating providers. The agency must allow dispensing practitioners to participate as a part of the Medicaid pharmacy network regardless of the practitioner's proximity to any other entity that is dispensing prescription drugs under the Medicaid program. A dispensing practitioner must meet all credentialing requirements applicable to his or her practice, as determined by the agency.

~~9.5-~~ The agency shall develop and implement a program that requires Medicaid practitioners who issue written prescriptions for medicinal drugs to use a counterfeit-proof prescription pad for Medicaid prescriptions. The agency shall require the use of standardized counterfeit-proof prescription pads by prescribers who issue written prescriptions for Medicaid recipients. The agency may implement the program in targeted geographic areas or statewide.

~~10.6-~~ The agency may enter into arrangements that require manufacturers of generic drugs prescribed to Medicaid recipients to provide rebates of at least 15.1 percent of the average manufacturer price for the manufacturer's generic products. These arrangements shall require that if a generic-drug manufacturer pays federal rebates for Medicaid-reimbursed drugs at a level below 15.1 percent, the manufacturer must provide a supplemental rebate to the state in an amount necessary to achieve a 15.1-percent rebate level.

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697 11.7- The agency may establish a preferred drug list as
 698 described in this subsection, and, pursuant to the establishment
 699 of such preferred drug list, negotiate supplemental rebates from
 700 manufacturers that are in addition to those required by Title
 701 XIX of the Social Security Act and at no less than 14 percent of
 702 the average manufacturer price as defined in 42 U.S.C. s. 1936
 703 on the last day of a quarter unless the federal or supplemental
 704 rebate, or both, equals or exceeds 29 percent. There is no upper
 705 limit on the supplemental rebates the agency may negotiate. The
 706 agency may determine that specific products, brand-name or
 707 generic, are competitive at lower rebate percentages. Agreement
 708 to pay the minimum supplemental rebate percentage guarantees a
 709 manufacturer that the Medicaid Pharmaceutical and Therapeutics
 710 Committee will consider a product for inclusion on the preferred
 711 drug list. However, a pharmaceutical manufacturer is not
 712 guaranteed placement on the preferred drug list by simply paying
 713 the minimum supplemental rebate. Agency decisions will be made
 714 on the clinical efficacy of a drug and recommendations of the
 715 Medicaid Pharmaceutical and Therapeutics Committee, as well as
 716 the price of competing products minus federal and state rebates.
 717 The agency may contract with an outside agency or contractor to
 718 conduct negotiations for supplemental rebates. For the purposes
 719 of this section, the term "supplemental rebates" means cash
 720 rebates. Value-added programs as a substitution for supplemental
 721 rebates are prohibited. The agency may seek any federal waivers
 722 to implement this initiative.

723 12.a.8-a- The agency may implement a Medicaid behavioral
 724 drug management system. The agency may contract with a vendor
 725 that has experience in operating behavioral drug management

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726 systems to implement this program. The agency may seek federal
 727 waivers to implement this program.

728 b. The agency, in conjunction with the Department of
 729 Children and Families, may implement the Medicaid behavioral
 730 drug management system that is designed to improve the quality
 731 of care and behavioral health prescribing practices based on
 732 best practice guidelines, improve patient adherence to
 733 medication plans, reduce clinical risk, and lower prescribed
 734 drug costs and the rate of inappropriate spending on Medicaid
 735 behavioral drugs. The program may include the following
 736 elements:

737 (I) Provide for the development and adoption of best
 738 practice guidelines for behavioral health-related drugs such as
 739 antipsychotics, antidepressants, and medications for treating
 740 bipolar disorders and other behavioral conditions; translate
 741 them into practice; review behavioral health prescribers and
 742 compare their prescribing patterns to a number of indicators
 743 that are based on national standards; and determine deviations
 744 from best practice guidelines.

745 (II) Implement processes for providing feedback to and
 746 educating prescribers using best practice educational materials
 747 and peer-to-peer consultation.

748 (III) Assess Medicaid beneficiaries who are outliers in
 749 their use of behavioral health drugs with regard to the numbers
 750 and types of drugs taken, drug dosages, combination drug
 751 therapies, and other indicators of improper use of behavioral
 752 health drugs.

753 (IV) Alert prescribers to patients who fail to refill
 754 prescriptions in a timely fashion, are prescribed multiple same-

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class behavioral health drugs, and may have other potential medication problems.

(V) Track spending trends for behavioral health drugs and deviation from best practice guidelines.

(VI) Use educational and technological approaches to promote best practices, educate consumers, and train prescribers in the use of practice guidelines.

(VII) Disseminate electronic and published materials.

(VIII) Hold statewide and regional conferences.

(IX) Implement a disease management program with a model quality-based medication component for severely mentally ill individuals and emotionally disturbed children who are high users of care.

13.9- The agency shall implement a Medicaid prescription drug management system.

a. The agency may contract with a vendor that has experience in operating prescription drug management systems in order to implement this system. Any management system that is implemented in accordance with this subparagraph must rely on cooperation between physicians and pharmacists to determine appropriate practice patterns and clinical guidelines to improve the prescribing, dispensing, and use of drugs in the Medicaid program. The agency may seek federal waivers to implement this program.

b. The drug management system must be designed to improve the quality of care and prescribing practices based on best practice guidelines, improve patient adherence to medication plans, reduce clinical risk, and lower prescribed drug costs and the rate of inappropriate spending on Medicaid prescription

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drugs. The program must:

(I) Provide for the adoption of best practice guidelines for the prescribing and use of drugs in the Medicaid program, including translating best practice guidelines into practice; reviewing prescriber patterns and comparing them to indicators that are based on national standards and practice patterns of clinical peers in their community, statewide, and nationally; and determine deviations from best practice guidelines.

(II) Implement processes for providing feedback to and educating prescribers using best practice educational materials and peer-to-peer consultation.

(III) Assess Medicaid recipients who are outliers in their use of a single or multiple prescription drugs with regard to the numbers and types of drugs taken, drug dosages, combination drug therapies, and other indicators of improper use of prescription drugs.

(IV) Alert prescribers to recipients who fail to refill prescriptions in a timely fashion, are prescribed multiple drugs that may be redundant or contraindicated, or may have other potential medication problems.

14.10- The agency may contract for drug rebate administration, including, but not limited to, calculating rebate amounts, invoicing manufacturers, negotiating disputes with manufacturers, and maintaining a database of rebate collections.

15.11- The agency may specify the preferred daily dosing form or strength for the purpose of promoting best practices with regard to the prescribing of certain drugs as specified in the General Appropriations Act and ensuring cost-effective

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prescribing practices.

~~16.12-~~ The agency may require prior authorization for Medicaid-covered prescribed drugs. The agency may prior-authorize the use of a product:

- a. For an indication not approved in labeling;
- b. To comply with certain clinical guidelines; or
- c. If the product has the potential for overuse, misuse, or abuse.

The agency may require the prescribing professional to provide information about the rationale and supporting medical evidence for the use of a drug. The agency shall post prior authorization, step-edit criteria and protocol, and updates to the list of drugs that are subject to prior authorization on the agency's ~~Internet~~ website within 21 days after the prior authorization and step-edit criteria and protocol and updates are approved by the agency. For purposes of this subparagraph, the term "step-edit" means an automatic electronic review of certain medications subject to prior authorization.

~~17.13-~~ The agency, in conjunction with the Pharmaceutical and Therapeutics Committee, may require age-related prior authorizations for certain prescribed drugs. The agency may preauthorize the use of a drug for a recipient who may not meet the age requirement or may exceed the length of therapy for use of this product as recommended by the manufacturer and approved by the Food and Drug Administration. Prior authorization may require the prescribing professional to provide information about the rationale and supporting medical evidence for the use of a drug.

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~~18.14-~~ The agency shall implement a step-therapy prior authorization approval process for medications excluded from the preferred drug list. Medications listed on the preferred drug list must be used within the previous 12 months before the alternative medications that are not listed. The step-therapy prior authorization may require the prescriber to use the medications of a similar drug class or for a similar medical indication unless contraindicated in the Food and Drug Administration labeling. The trial period between the specified steps may vary according to the medical indication. The step-therapy approval process shall be developed in accordance with the committee as stated in s. 409.91195(7) and (8). A drug product may be approved without meeting the step-therapy prior authorization criteria if the prescribing physician provides the agency with additional written medical or clinical documentation that the product is medically necessary because:

a. There is not a drug on the preferred drug list to treat the disease or medical condition which is an acceptable clinical alternative;

b. The alternatives have been ineffective in the treatment of the beneficiary's disease;

c. The drug product or medication of a similar drug class is prescribed for the treatment of schizophrenia or schizotypal or delusional disorders; prior authorization has been granted previously for the prescribed drug; and the medication was dispensed to the patient during the previous 12 months; or

d. Based on historical evidence and known characteristics of the patient and the drug, the drug is likely to be ineffective, or the number of doses have been ineffective.

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871

872 The agency shall work with the physician to determine the best
 873 alternative for the patient. The agency may adopt rules waiving
 874 the requirements for written clinical documentation for specific
 875 drugs in limited clinical situations.

876 ~~19.15-~~ The agency shall implement a return and reuse
 877 program for drugs dispensed by pharmacies to institutional
 878 recipients, which includes payment of a \$5 restocking fee for
 879 the implementation and operation of the program. The return and
 880 reuse program shall be implemented electronically and in a
 881 manner that promotes efficiency. The program must permit a
 882 pharmacy to exclude drugs from the program if it is not
 883 practical or cost-effective for the drug to be included and must
 884 provide for the return to inventory of drugs that cannot be
 885 credited or returned in a cost-effective manner. The agency
 886 shall determine if the program has reduced the amount of
 887 Medicaid prescription drugs which are destroyed on an annual
 888 basis and if there are additional ways to ensure more
 889 prescription drugs are not destroyed which could safely be
 890 reused.

891 (14) Neither this section nor this chapter prevents the
 892 agency from conducting retrospective reviews, investigations,
 893 analyses, audits, or any combination thereof to determine
 894 possible fraud, abuse, overpayment, or recipient neglect in the
 895 state Medicaid program pursuant to s. 409.913, including, but
 896 not limited to, reviews in which the services were the subject
 897 of a utilization review or prior authorization process.

898 Section 7. Paragraph (e) of subsection (1) and subsections
 899 (2) and (6) of section 409.913, Florida Statutes, are amended to

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900

read:

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902 409.913 Oversight of the integrity of the Medicaid
 903 program.—The agency shall operate a program to oversee the
 904 activities of Florida Medicaid recipients, and providers and
 905 their representatives, to ensure that fraudulent and abusive
 906 behavior and neglect of recipients occur to the minimum extent
 907 possible, and to recover overpayments and impose sanctions as
 908 appropriate. Each January 15, the agency and the Medicaid Fraud
 909 Control Unit of the Department of Legal Affairs shall submit a
 910 report to the Legislature documenting the effectiveness of the
 911 state's efforts to control Medicaid fraud and abuse and to
 912 recover Medicaid overpayments during the previous fiscal year.
 913 The report must describe the number of cases opened and
 914 investigated each year; the sources of the cases opened; the
 915 disposition of the cases closed each year; the amount of
 916 overpayments alleged in preliminary and final audit letters; the
 917 number and amount of fines or penalties imposed; any reductions
 918 in overpayment amounts negotiated in settlement agreements or by
 919 other means; the amount of final agency determinations of
 920 overpayments; the amount deducted from federal claiming as a
 921 result of overpayments; the amount of overpayments recovered
 922 each year; the amount of cost of investigation recovered each
 923 year; the average length of time to collect from the time the
 924 case was opened until the overpayment is paid in full; the
 925 amount determined as uncollectible and the portion of the
 926 uncollectible amount subsequently reclaimed from the Federal
 927 Government; the number of providers, by type, that are
 928 terminated from participation in the Medicaid program as a
 result of fraud and abuse; and all costs associated with

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929 discovering and prosecuting cases of Medicaid overpayments and
 930 making recoveries in such cases. The report must also document
 931 actions taken to prevent overpayments and the number of
 932 providers prevented from enrolling in or reenrolling in the
 933 Medicaid program as a result of documented Medicaid fraud and
 934 abuse and must include policy recommendations necessary to
 935 prevent or recover overpayments and changes necessary to prevent
 936 and detect Medicaid fraud. All policy recommendations in the
 937 report must include a detailed fiscal analysis, including, but
 938 not limited to, implementation costs, estimated savings to the
 939 Medicaid program, and the return on investment. The agency must
 940 submit the policy recommendations and fiscal analyses in the
 941 report to the appropriate estimating conference, pursuant to s.
 942 216.137, by February 15 of each year. The agency and the
 943 Medicaid Fraud Control Unit of the Department of Legal Affairs
 944 each must include detailed unit-specific performance standards,
 945 benchmarks, and metrics in the report, including projected cost
 946 savings to the state Medicaid program during the following
 947 fiscal year.

948 (1) For the purposes of this section, the term:

949 (e) "Overpayment" includes any amount that is not
 950 authorized to be paid by the Medicaid program or that should not
 951 have been paid, including payments made whether paid as a result
 952 of inaccurate or improper cost reporting, improper claiming,
 953 unacceptable practices, fraud, abuse, or mistake, and may
 954 include amounts paid for goods or services that were the subject
 955 of a utilization review or prior authorization process.

956 (2) The agency shall conduct, or cause to be conducted by
 957 contract or otherwise, reviews, investigations, analyses,

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958 audits, or any combination thereof, to determine possible fraud,
 959 abuse, overpayment, or recipient neglect in the Medicaid program
 960 and shall report the findings of any overpayments in audit
 961 reports as appropriate. An overpayment determination may be
 962 based upon retrospective reviews, investigations, analyses,
 963 audits, or any combination thereof to determine possible fraud,
 964 abuse, overpayment, or recipient neglect in the Medicaid
 965 program, regardless of whether a prior authorization was issued.
 966 At least 5 percent of all audits shall be conducted on a random
 967 basis. As part of its ongoing fraud detection activities, the
 968 agency shall identify and monitor, by contract or otherwise,
 969 patterns of overutilization of Medicaid services based on state
 970 averages. The agency shall track Medicaid provider prescription
 971 and billing patterns and evaluate them against Medicaid medical
 972 necessity criteria and coverage and limitation guidelines
 973 adopted by rule. Medical necessity determination requires that
 974 service be consistent with symptoms or confirmed diagnosis of
 975 illness or injury under treatment and not in excess of the
 976 patient's needs. The agency shall conduct reviews of provider
 977 exceptions to peer group norms and shall, using statistical
 978 methodologies, provider profiling, and analysis of billing
 979 patterns, detect and investigate abnormal or unusual increases
 980 in billing or payment of claims for Medicaid services and
 981 medically unnecessary provision of services.

982 (6) Any notice required to be given to a provider under
 983 this section is presumed to be sufficient notice if sent to the
 984 mailing address last shown on the provider enrollment file. It
 985 is the responsibility of the provider to furnish and keep the
 986 agency informed of the provider's current mailing and service

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addresses ~~address~~. United States Postal Service or other common
 carrier's proof of mailing or certified or registered mailing of
 such notice to the provider at the address shown on the provider
 enrollment file constitutes sufficient proof of notice. Any
 notice required to be given to the agency by this section must
 be sent to the agency at an address designated by rule.

Section 8. Section 414.321, Florida Statutes, is created to
 read:

414.321 Food assistance eligibility.—For purposes of
eligibility determinations, the department shall:

(1) Limit eligibility to individuals who are residents of
the United States and:

(a) Citizens or nationals of the United States;

(b) Aliens lawfully admitted for permanent residence as
defined in the Immigration and Nationality Act, as amended;

(c) Aliens who have been granted the status of Cuban and
Haitian entrant, as defined in the Refugee Education Assistance
Act of 1980, as amended; or

(d) Individuals who lawfully reside in the United States in
accordance with the Compacts of Free Association referred to in
the Personal Responsibility and Work Opportunity Reconciliation
Act of 1996.

(2) Require each applicant, or recipient for
redetermination purposes, to provide documentation evidencing
his or her shelter or utility expenses.

(a) The department is prohibited from relying solely on an
individual's self-attestation in determining shelter or utility
expenses.

(b) The department may adopt policies and procedures to

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accommodate an applicant or a recipient who, due to recent
residency changes, is temporarily unable to furnish adequate
documentation of shelter or utility expenses.

Section 9. Section 414.332, Florida Statutes, is created to
 read:

414.332 Food assistance payment accuracy plan.—

(1) The department shall develop and implement a
comprehensive food assistance payment accuracy improvement plan
to reduce the state's payment error rate. The department must
reduce the payment error rate to below 6 percent. The plan must
address the root causes of payment errors identified through an
in-depth, data-driven analysis. The plan must include, but need
not be limited to, all of the following:

(a) Enhanced employee training and quality assurance.

1. The department shall administer standardized training
for all economic self-sufficiency program staff at least
annually. Training must, at a minimum, review the most common
reasons for payment errors and methods for preventing such
errors, and include pre- and post-training testing to measure
staff proficiency.

2. The department shall establish a robust quality
assurance review process that frequently reviews a statistically
significant sample of cases before final benefit determination.
This process must incorporate real-time, corrective feedback and
on-the-job training for program staff and may not delay benefit
determinations.

(b) Improvement in data sourcing. In contracting with
entities providing data for verification of applicant and
recipient information, the department shall maximize use of high

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quality automated data sources, including, but not limited to, comparing income and asset data with state, federal, and private sector data sources.

(2) By July 15, 2026, the department shall submit the food assistance payment accuracy improvement plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

(3)(a) Beginning October 1, 2026, the department shall submit quarterly progress reports to the Governor, the President of the Senate, and the Speaker of the House of Representatives detailing:

1. The state's most recent official and preliminary food assistance payment error rate.

2. A detailed breakdown of the most frequent and highest dollar value errors, including categorization by agency or client error and whether the error resulted in over- or under-payment.

3. Specific actions taken by the department under the food assistance payment accuracy improvement plan during the preceding quarter and data demonstrating the results of those actions.

4. A detailed plan to correct the most recently identified deficiencies.

(b) This subsection is repealed on October 1, 2028.

Section 10. Present subsections (6) through (11) of section 414.39, Florida Statutes, are redesignated as subsections (7) through (12), respectively, and a new subsection (6) is added to that section, to read:

414.39 Fraud.—

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(6) The department shall require the use of photographic identification on the front of each newly issued and reissued electronic benefits transfer (EBT) card for each cardholder to the maximum extent allowed by federal laws and regulations.

Section 11. Subsection (2) of section 414.455, Florida Statutes, is amended to read:

414.455 Supplemental Nutrition Assistance Program; legislative authorization; mandatory participation in employment and training programs.—

(2) Unless prohibited by the Federal Government, the department must require a person who is receiving food assistance; who is 18 to 64 ~~59~~ years of age, inclusive; who does not have children under the age of 14 ~~18~~ in his or her home; who does not qualify for an exemption; and who is determined by the department to be eligible, to participate in an employment and training program. The department shall apply and comply with exemptions from work requirements in accordance with applicable federal law.

Section 12. Subsection (1) of section 409.91196, Florida Statutes, is amended to read:

409.91196 Supplemental rebate agreements; public records and public meetings exemption.—

(1) The rebate amount, percent of rebate, manufacturer's pricing, and supplemental rebate, and other trade secrets as defined in s. 688.002 that the agency has identified for use in negotiations, held by the Agency for Health Care Administration under s. 409.912(5)(a)11. ~~s. 409.912(5)(a)7.~~ are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

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



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Appropriations

Subject: Committee Agenda Request

Date: February 3, 2026

I respectfully request that **Senate Bill #1758**, relating to Public Assistance, be placed on the:

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



Senator Don Gaetz
Florida Senate, District 1

The Florida Senate
APPEARANCE RECORD

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

Meeting Date

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Phone

Address

Street

Email

City

State

Zip

Speaking:

☐

For

☒

Against

☐

Information

OR

Waive Speaking:

☐

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☒

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

FL Policy Inst

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

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S-001 (08/10/2021)

The Florida Senate

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3/2/26

Meeting Date

SB 1758

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Aurelie Colon Larrauri

Phone

954 881 8595

Address

403 Washington Ave

Street

Email

aurelie.colon@splcenter.org

Montgomery AL

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:

SPLC

☐

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

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S-001 (08/10/2021)

03/02/26
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APPROPRIATIONS
Committee

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SB 1758
Bill Number or Topic

Amendment Barcode (if applicable)

Name JJ HOLMES Phone 407-405-2210
Address 1620 RIDGE AVE Email HOLMESABRADO@YAHOO.COM
Street
City LONGWOOD State FL Zip 32750

Speaking:

☐

For

☒

Against

☐

Information

OR

Waive Speaking:

☐

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☐

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

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S-001 (08/10/2021)

03/02/26

Meeting Date

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APPEARANCE RECORD

SB1758

Bill Number or Topic

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APPROPRIATIONS

Committee

Amendment Barcode (if applicable)

Name

ALISON HOUNTS

Phone

407-405-2210

Address

1620 RIDGE AVE

Email

HOUNTSABEAD@YAHOO.COM

Street

LONGWOOD

FL

32750

City

State

Zip

Speaking:

☐ For

☒ Against

☐ Information

OR

Waive Speaking:

☐ In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



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

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

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S-001 (08/10/2021)

3/2/2026

Meeting Date

The Florida Senate
APPEARANCE RECORD

1758

Bill Number or Topic

Appropriations

Committee

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

Name

Melanie Andrade Williams

Phone

850 999 059

Address

3349 Argonaut Dr

Street

Tallahassee

City

State

FL

32312

Zip

Email

williams@floridahealthjustice.org

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 Health Justice Project

☐

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

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

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S-001 (08/10/2021)

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3/2/26

Meeting Date

1758

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Karen Woodell

Phone

850-321-9386

Address

579 E. Call St.

Email

fcfc@yahoo.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:

FI Center for Fiscal & Economic
Policy

☐

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

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

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S-001 (08/10/2021)

The Florida Senate

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3/2/26

Meeting Date

Senate Appropriations

Committee

1758

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Susan Harbin

Phone

770-546-8845

Address

Street

Email

susan.harbin@cancer.org

City

State

Zip

Speaking:

☐

For

☒

Against

☐

Information

OR

Waive Speaking:

☐

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

American Cancer Society
Cancer Action Network

☐

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)

March 3, 2026

Meeting Date

Appropriations

Committee

Name **Brian Meyer, Medicaid Director**

Phone **(888) 419-3456**

Address **2727 Mahan Drive**

Email **LegAffairs@AHCA.MyFlorida.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:



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

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

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

SB 1758

Bill Number or Topic

Amendment Barcode (if applicable)

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3/2/26

Meeting Date

Appropriations

Committee

The Florida Senate

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SB 1758

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Ashley Lyerly

Phone

205-968-2266

Address

PO Box 43263

Email

Ashley.Lyerly@lung.org

Street

Vestavia

AL

35243-0263

City

State

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☐

In Support

☒

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

American Lung Association

☐

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

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

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S-001 (08/10/2021)

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3/2/2026

Meeting Date

Appropriations

Committee

SB 1758

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Jossie Barroso

Phone

352-362-3461

Address

2523 Mar Court

Email

jbarroso131@gmail.com

Street

Tallahassee

City

FL

State

32301

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☐ In Support ☒ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☒

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

Florida Voices for Health

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

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S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1760

INTRODUCER: Appropriations Committee; Health Policy Committee; and Senator Brodeur and others

SUBJECT: Health Care Coverage

DATE: March 4, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Rainer/Johnson</u>	<u>Brown</u>	<u>HP</u>	<u>Fav/CS</u>
2.	<u>Barr</u>	<u>Sadberry</u>	<u>AP</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1760 amends laws relating to state oversight of health care insurance coverage, both in commercial health insurance and Medicaid.

Effective upon the bill becoming a law, the bill establishes the Joint Legislative Committee on Medicaid Oversight (committee) to ensure the state Medicaid program is operating in accordance with the Legislature's intent and to promote transparency and efficiency in government spending. The bill creates a statutory definition for the term "Joint Legislative Committee on Medicaid Oversight" to specify a committee designated by joint rule of the Legislature, by the presiding officer of either house of the Legislature, or by agreement between the presiding officers.

The bill requires the committee to identify and recommend policies and authorizes the committee to submit periodic reports, including recommendations, to the Legislature on issues related to the state Medicaid program and any affiliated programs.

The bill also creates additional Medicaid managed care plan reporting requirements for purposes of capitation rate setting and disclosure of financial relationships with affiliated entities.

The bill requires that a contract between the Agency for Health Care Administration (AHCA) and a Medicaid managed care plan must require that any third-party administrative entity contracted by the plan must adhere to all pertinent requirements of the Medicaid program placed on the plan under the plan's contract with the AHCA.

The bill provides that payments made by a Medicaid managed care plan to affiliated entities in excess of market rates are excluded as an allowable expense when the AHCA calculates such plan's achieved savings rebate (ASR). Effective January 1, 2027, the bill revises ASR statutes to alter the amount of profit that a managed care plan may retain versus how much of such profit must be shared with the state.

The bill amends statutes relating to Medicaid managed care plan medical loss ratios (MLR) to correct a reference to federal regulations and to specify that MLRs must be calculated for each plan separately for each component of Statewide Medicaid Managed Care and for each plan in the aggregate. The AHCA must calculate such MLRs quarterly and annually and report to the Governor and the Legislature no later than six months after the end of each such period.

The bill amends the Insurance Code relating to the oversight of pharmacy benefit managers (PBMs), which are regulated by the Office of Insurance Regulation (OIR). The bill creates numerous prohibitions against PBM behavior relating to contracting with and reimbursing pharmacies. The bill also prohibits a PBM from maintaining any ownership or investment interest in, or sharing common ownership with, an affiliated manufacturer, as that term is defined by the bill.

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

The bill provides an effective date of July 1, 2026, with exceptions as otherwise provided.

II. Present Situation:

Joint Legislative Committees

A joint legislative committee is composed of members of the Senate and the House of Representatives, appointed by their respective presiding officers, to oversee a specified legislative function. Joint legislative committees and other joint units of the Legislature are governed by joint rules of the Senate and the House. The joint rules are adopted in the organizational session for each legislative term.¹

For the current legislative term (2024-2026), the joint rules provide for the following standing Joint Committees:

- Administrative Procedures Committee.
- Committee on Public Counsel Oversight.
- Legislative Auditing Committee.²

¹ Fla. Const. Art. III, § 3. For the current Legislative term of 2024-2026, the organizational session was held, in Nov. 2024, and concurrent resolution SRC 2 - Org was adopted as the Joint Rules.

² Joint Rule 4.1.

The current joint rules contain the governance and membership requirements for all Joint Committees.³ Procedures,⁴ powers,⁵ and administration⁶ for the Joint Committees are also set out. The joint also provide for special powers and duties for each standing Joint Committee.⁷

Legislative committees are also described in ch. 11, F.S. Any standing or select committees formed by the Legislature are not executive agencies.⁸ The committees are entitled to all appropriations made by the Legislature.⁹ Standing and select legislative committees are granted testimony, subpoena, and document production powers.¹⁰ All joint committees are ultimately governed by joint rules of the Senate and the House of Representatives.¹¹

The Auditor General

Florida's Auditor General is a constitutional and legislative officer. Article III, s. 2 of the Florida Constitution provides that "The legislature shall appoint an auditor to serve at its pleasure who shall audit public records and perform related duties as prescribed by law or concurrent resolution." As a certified public accountant, and the state's independent auditor, the auditor general is responsible for providing unbiased, timely, and relevant information that the Legislature, citizens of the state of Florida, public entity management, and other stakeholders can use to promote government accountability and stewardship, as well as improve government operations.¹² Chapter 11, F.S., establishes the general authority and duties of the auditor general.¹³

Medicaid Managed Care

Services under the Florida Medicaid program can either be provided under Statewide Medicaid Managed Care (SMMC) or the fee-for-service (FFS) delivery systems.¹⁴ Health care services within SMMC are managed by contracted managed care plans. A Medicaid recipient generally must enroll in the SMMC and can choose a managed care plan available in his or her area of the state.¹⁵ If a recipient is required to choose a plan but fails to, he or she is auto-assigned to one.

Certain recipients are not required to enroll in a managed care plan but may choose to. Such recipients are those receiving prescribed pediatric extended care (PPEC) services, recipients enrolled in the iBudget waiver or in an iBudget waiver pre-enrollment category,¹⁶ recipients with

³ Joint Rules 4.1(3) and (4).

⁴ Joint Rule 4.2.

⁵ Joint Rule 4.3.

⁶ Joint Rule 4.4.

⁷ Joint Rules 4.5 through 4.7.

⁸ Section 11.135, F.S.

⁹ *Id.*

¹⁰ Section 11.143, F.S.

¹¹ Section 11.147(2), F.S.

¹² Florida Auditor General, *About the Florida Auditor General*, <https://flauditor.gov/pages/aboutus.html> (last visited Feb. 25, 2026).

¹³ Sections 11.42 through 11.47, F.S.

¹⁴ Agency for Health Care Administration, *A Snapshot of Statewide Medicaid Managed Care 3.0*, https://ahca.myflorida.com/content/download/25049/file/SMMC_Snapshot.pdf (last visited Feb. 25, 2026).

¹⁵ Section 409.969, F.S.

¹⁶ See ss. 393.0662 and 393.0663, F.S., for statutory provisions relating to iBudget.

non-Medicare credible coverage,¹⁷ recipients in residential treatment facilities, and persons eligible for refugee assistance.¹⁸ Other recipients are excluded from SMMC. They are women who are eligible only for family planning services, women who are eligible only for breast and cervical cancer services, persons enrolled in the Medically Needy program, and persons who are eligible for emergency Medicaid for aliens.¹⁹

Florida's Medicaid program, as of January 31, 2026, had 3,945,922 enrollees.²⁰ The enrollment for SMMC was 2,855,096, and enrollment in FFS was 1,086,900.²¹

Under either FFS or the SMMC, a recipient is entitled to all medical benefits provided by the State Plan.²² The SMMC has four programs for providing those service:

- Managed Medical Assistance (MMA).
- Long-Term Care Managed Care (LTCMC).
- The Prepaid Dental Program.
- The pilot program for individuals with developmental disabilities.

MMA also provides for specialty plans to be provided in MMA.²³ Specialty plans are designed for specific populations.²⁴ There are currently specialty products for HIV/AIDS, serious mental illness, and child welfare.²⁵ Furthermore, SMMC provides for specialized care coordination and expanded benefits.²⁶

Florida's Medicaid program, as of December 2025, is estimated to spend approximately \$37.5 billion for state Fiscal Year 2025-2026. Expenditures as of December 2025 for SMMC in state Fiscal Year 2025-2026 are estimated to be approximately \$27.3 billion. Expenditures for FFS are estimated to be approximately \$10.2 billion for state Fiscal Year 2025-2026.²⁷

¹⁷ Agency for Health Care Administration, *Statewide Medicaid Managed Care (SMMC) New Program Highlight: Managed Medical Assistance v. Fee-For-Service*, <https://ahca.myflorida.com/content/download/25693/file/Managed%20Medical%20Assistance%20Plan%20vs%20Fee-for-Service.pdf> (last visited Feb. 25, 2026).

¹⁸ Section 409.972, F.S.

¹⁹ Section 409.965, F.S.

²⁰ Agency for Health Care Administration, *Medicaid Monthly Enrollment Report*, available at: <https://ahca.myflorida.com/medicaid/medicaid-finance-and-analytics/medicaid-data-analytics/medicaid-monthly-enrollment-report> (last visited Feb. 25, 2026).

²¹ *Id.*

²² Agency for Health Care Administration, *Statewide Medicaid Managed Care (SMMC) New Program Highlight: Managed Medical Assistance v. Fee-For-Service*.

²³ Section 409.974(3), F.S. *Also see:* Agency for Health Care Administration, *A Snapshot of the Florida Statewide Medicaid Managed Care Program*, https://ahca.myflorida.com/content/download/9126/file/SMMC_Snapshot.pdf?version=1 (last visited Feb. 25, 2026).

²⁴ *Id.*

²⁵ Agency for Health Care Administration, *A Snapshot of Statewide Medicaid Managed Care 3.0*, https://ahca.myflorida.com/content/download/25049/file/SMMC_Snapshot.pdf (last visited Feb. 25, 2026).

²⁶ Agency for Health Care Administration, *Statewide Medicaid Managed Care 3.0 Overview*, https://ahca.myflorida.com/content/download/25090/file/Statewide%20Medicaid%20Managed%20Care%20Full%20Deck_05212025%20.pdf (last visited Feb. 25, 2026).

²⁷ Social Services Estimating Conference, *December 2025 Forecast, Medicaid Distribution: Managed Care and Fee for Service* (December 22, 2025) <https://edr.state.fl.us/Content/conferences/medicaid/index.cfm> (last visited Feb. 25, 2026).

Encounter Data

Encounter data is recognized as essential for developing capitation rates for risk based managed care programs.²⁸ Pursuant to actuarial standards, encounter data is defined as “information about an interaction between a provider of health care services and a member that is documented through the submission of a claim to a managed care organization (MCO) and shared between the MCO and the state Medicaid agency.”²⁹ Encounter data is fundamental to measuring the required activities requested of managed care programs and for helping to determine capitation rates, risk adjustment, quality measurement, value-based purchasing, program integrity, and policy development.³⁰

Providing validated encounter data to the U.S. Centers for Medicare and Medicaid Services (CMS) is a basic requirement for a state’s implementation of Medicaid managed care. Failure to provide accurate and complete data can result in a state’s federal financial participation (FFP) being reduced or otherwise impacted.³¹ Florida statutes require Medicaid managed care plans to report encounter data to the AHCA’s Medicaid Encounter Data System.³² The AHCA annually performs an Encounter Data Validation Data Validation Study.³³

The collection of encounter data may be affected when a managed care plan compensates providers with a capitated payment or other value-based compensation, which may or may not result in a claim for payment. Another complication may result when a provider subcontracts all or a portion of the delivery of health care benefits. There are also issues on how denied claims are treated for purposes of reporting encounter data.³⁴ Without a built-in payment incentive for providers, encounter data completeness can be compromised.³⁵

Achieved Savings Rebate

In 2011, with the implementation of SMMC, Florida Medicaid adopted an achieved savings rebate (ASR) mechanism for profit-sharing.³⁶ The ASR system has remained largely unchanged

²⁸ Cunningham, Houchens and Lewis, *Encounter Data Standards: Implications for State Medicaid Agencies and Managed Care Entities from Final Medicaid Managed Care Rule*, Milliman (May 1, 2016) <https://www.milliman.com/en/insight/encounter-data-standards-implications-for-state-medicare-agencies-and-managed-care-entities> (last visited Feb. 25, 2026).

²⁹ Actuarial Standards Board, *Actuarial Standard of Practice No. 49, Medicaid Managed Care Capitation Rate Development and Certification (adopted March 2015)*, p. 2, <http://www.actuarialstandardsboard.org/asops/mc-capitation-rate-development-and-certification/> (last visited Feb. 25, 2026).

³⁰ *Supra* note 28.

³¹ 42 C.F.R. § 438.818

³² Section 409.967(2)(e), F.S.

³³ Agency for Health Care Administration, *Encounter Data Validation Studies*, <https://ahca.myflorida.com/mc/mc-quality-activities-and-projects/encounter-data-validation-studies> (last visited Feb. 25, 2026).

³⁴ *Supra* note 28.

³⁵ Manatt Health, *What’s the Matter with Encounter Data? Common Issues and Actionable State Strategies for Improving a Critical Data Resource*, presentation to National Association of Health Data Organization, 35th Annual Conference, (August 17, 2020) https://www.nahdo.org/sites/default/files/2020-08/103-68%20Kevin%20McAvey%20What_s%20the%20Matter%20with%20Encounter%20Data_NAHDO%20Presentation_Aug%2016%202020.PDF (last visited Feb. 25, 2026).

³⁶ Chapter 2011-134, s. 8, Laws of Florida.

since then, except for a change in 2023 which recognized the need to return to the federal government a portion of the state's recoveries from the shared savings, based on the federal match percentage. There was also a change in 2025 as to the auditing requirements by which the AHCA could notify the ASR auditor of deficiencies in the report and have them corrected before the audit is finalized.³⁷

The ASR process begins with each Medicaid managed care plan submitting its audited financial statement for the preceding calendar year to the AHCA by June 1.³⁸ The AHCA contracts with an independent auditor who conducts a compliance audit of the various components of each plan's audited statement, which is used in calculating each calendar year's ASR for that plan.³⁹ Upon issuance of the compliance audit and the calculation of the ASR, the AHCA approves the report and it becomes final. A managed care plan is then required to pay any portion of its profit that must be shared with the state within 30 days of the report being final.⁴⁰

The portion of a managed care plan's profit that must be shared with the state is calculated by determining pretax income as a percentage of revenues and applying the following income sharing ratios:

- One hundred percent of income up to and including five percent of revenue is to be retained by the plan.
- Fifty percent of income above five percent and up to 10 percent is to be retained by the plan with the other 50 percent refunded to the state and adjusted for the federal match percentage.
- One hundred percent of income above 10 percent of revenue must be refunded to the state and adjusted for the federal match percentage.⁴¹

³⁷ Chapter 2025-204, s. 16, Laws of Florida.

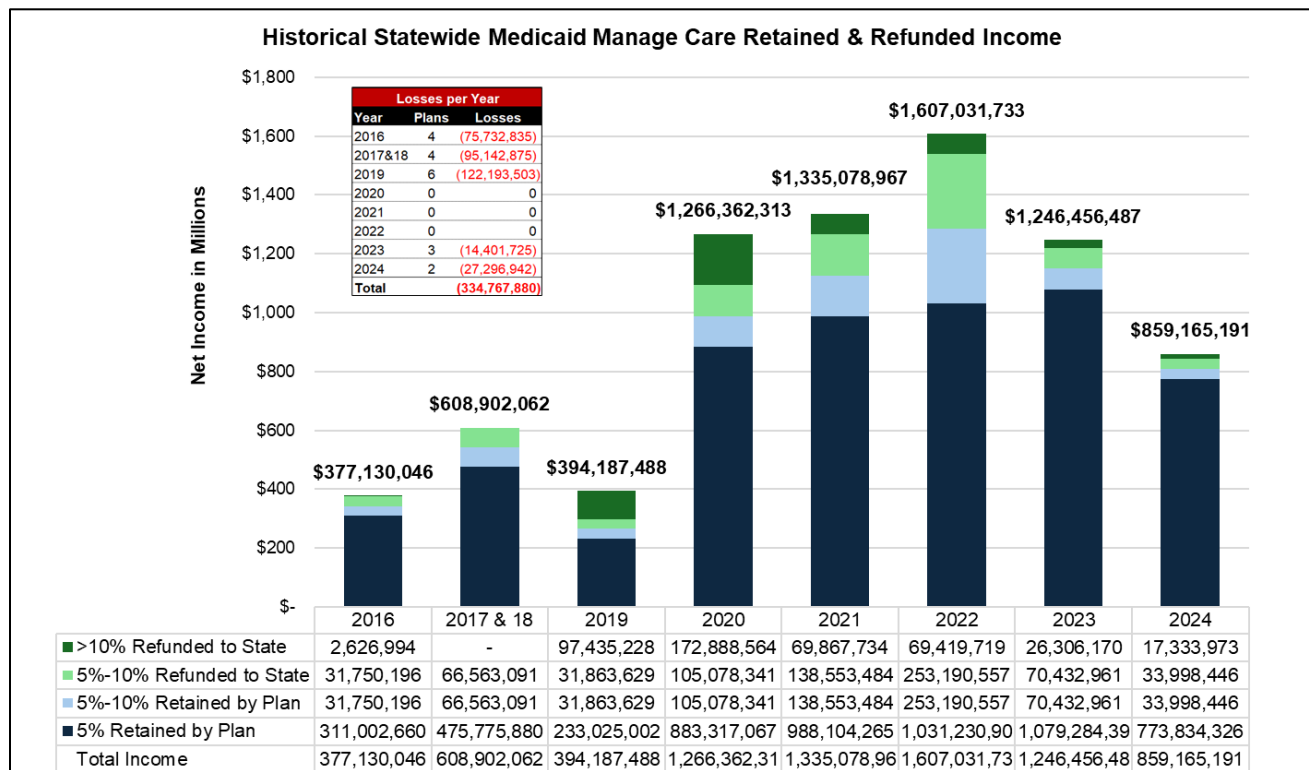
³⁸ Section 409.967(3)(a), F.S.

³⁹ Section 409.967(3)(b) and (c), F.S.

⁴⁰ Section 409.967(3)(h), F.S.

⁴¹ Section 409.967(3)(f), F.S.

The chart below illustrates the amount of ASR income retained versus refunded over the past eight years.⁴²



It is possible for the plan to retain an additional one percent of profit. To achieve this additional retention, the plan must meet quality objectives developed by the AHCA. The quality objectives are focused on complex, chronic health conditions which are associated with high-cost medical treatments.⁴³ There is no record to date any managed care plan meeting the established quality thresholds necessary to retain the additional one percent of profit.

Medical Loss Ratios (MLR)

Medical loss ratio calculation and reporting are requirements of the federal government for Medicaid managed care programs.⁴⁴ The numerator of the ratio is all incurred claims, expenditures that improve health quality, fraud prevention activities,⁴⁵ and amounts paid to providers under state-directed payments.⁴⁶ Deducted from incurred claims are overpayment

⁴² Chart data compiled from audited Achieved Savings Rebate Financial Reports obtained from the Agency for Health Care Administration (AHCA). The most recent reports are available on the AHCA website: <https://ahca.myflorida.com/medicaid/medicaid-finance-and-analytics/medicaid-program-finance/financial-monitoring/2024-achieved-savings-rebate-asr-financial-reports-by-plan> (last visited Feb. 25, 2026).

⁴³ Section 409.967(3)(g), F.S.

⁴⁴ MACPAC, *Medical Loss Ratios in Medicaid Managed Care, Issue Brief* (January 2022) <https://www.macpac.gov/wp-content/uploads/2022/01/Medical-loss-ratio-issue-brief-January-2022.pdf> (last visited Feb. 25, 2026).

⁴⁵ 42 C.F.R. § 438.8(e)

⁴⁶ 42 C.F.R. § 438.8(e)(2)(iii)(C)

recoveries from network providers and any prescription drug rebates received and accrued by a managed care plan.⁴⁷

The denominator is adjusted premium revenue received by the plan.⁴⁸ Capitation payments for required services under the contract are the largest component of premium revenue. Revenue does not include incentive payments and pass-through payments. Federal, state, and local taxes and licensing and regulatory fees are deducted from adjusted premium revenue.⁴⁹

Federal CMS requires that a state must have oversight of a managed care plan's MLR reporting.⁵⁰ In addition, when calculating a plan's capitation rate, there are various MLR-related standards that must be included to meet the required "actuarial soundness" standard.⁵¹ However, states are not required to, but may, implement a minimum MLR.⁵² A state can apply a required MLR in the aggregate or to different populations or a portion of the contract.⁵³

Federal CMS regularly publishes MLR reports.⁵⁴ The AHCA has been collecting the required reports from the health plans and submitting them to federal CMS by its Financial Monitoring section.⁵⁵ The AHCA, in the standard contract with the health plans, requires them to prepare, deliver, and retain copies of the requisite federal MLR report for their particular plan.⁵⁶

Section 409.967(4), F.S., authorizes the AHCA to calculate MLRs for SMMC managed care plans if required to do so as a condition of a Medicaid waiver. The statute requires that the method for calculating MLRs must classify expenditures in a manner consistent with 45 C.F.R. part 158,⁵⁷ except that:

⁴⁷ Prescription drug rebates must be deducted if received by the health plan directly or a pharmacy benefit manager. See MACPAC, *Medical Loss Ratios in Medicaid Managed Care*, Issue Brief at p. 8.

⁴⁸ *Id.* at p. 3.

⁴⁹ *Id.*

⁵⁰ Centers for Medicare and Medicaid Services, *CMCS Informational Bulletin, Medicaid Managed Care Frequently Asked Questions (FAQs) – Medical Loss Ratio* (June 5, 2020) https://www.medicaid.gov/sites/default/files/Federal-Policy-Guidance/Downloads/cib060520_new.pdf (last visited Feb. 25, 2026).

⁵¹ 42 C.F.R. § 438.4(b)(9) and 42 C.F.R. § 439(5)(b)(5)

⁵² Centers for Medicare and Medicaid Services, *CMCS Informational Bulletin, Medicaid Managed Care Frequently Asked Questions (FAQs) – Medical Loss Ratio* at Q.2.

⁵³ 42 C.F.R. § 439.8(i)

⁵⁴ Centers for Medicare and Medicaid Services, *MLR Summary Reports*, <https://data.medicaid.gov/dataset/743f9f04-4473-41e2-9da2-9a89db65ee55#data-table> (last visited Feb. 25, 2026).

⁵⁵ Agency for Health Care Administration, *Financial Monitoring*, <https://ahca.myflorida.com/medicaid/medicaid-finance-and-analytics/medicaid-program-finance/financial-monitoring> (last visited Feb. 25, 2026).

⁵⁶ Agency for Health Care Administration Model Contract, FPXXX, Attachment II, Update Oct. 1, 2025(available at: <https://ahca.myflorida.com/content/download/27248/file/Attachment%20II-%20-%20Core%20Contract%20Provisions%20Oct%202025.pdf>). The reporting seems to be done in the context of the ASR reporting and calculation. Agency for Health Care Administration, Plan Communication, RCN 2024-03, Re: Achieved Savings Rebate (ASR) Financial Report – Medical Loss Ratio Comparison, (April 17, 2024), https://ahca.myflorida.com/content/download/27209/file/RCN%202024-03%20ASR%20Financial%20Template%20-%20MLR%20Comparison_04.17.2024.pdf (last visited Feb. 25, 2026).

⁵⁷ This portion of the Code of Federal Regulations was adopted to implement MLR requirements for health insurance issuers under the Public Health Service Act in order to address the treatment of "mini-med" and expatriate policies under these regulations for years after 2011; modify the way the regulations treat ICD-10 conversion costs; change the rules on deducting community benefit expenditures; and revise the rules governing the distribution of rebates by issuers in group markets. See The Federal Register, *Medical Loss Ratio Requirements Under the Patient Protection and Affordable Care Act*,

- Funds provided by the managed care plans to graduate medical education institutions to underwrite the costs of residency positions must be classified as MLR medical expenditures, provided the funding is sufficient to sustain the positions for the number of years necessary to complete the residency requirements and the residency positions funded by the plans are active providers of care to Medicaid and uninsured patients; and
- Before final determination of the MLR for any period, a managed care plan may contribute to a designated state trust fund for the purpose of supporting Medicaid and indigent care and have the contribution counted as an MLR medical expenditure for the period.

According to the AHCA, federal CMS has not approved the two MLR exceptions listed above for Florida's waiver that authorizes SMMC. Therefore, those exceptions for MLR expenditures have never been implemented.⁵⁸

Reporting of Administrative Subcontractors and Affiliates

As part of its contracts with Medicaid health plans, the AHCA obligates the plans to a list of reports which must be submitted electronically, either on a monthly, quarterly, or annual basis.⁵⁹ There are 28 reports on the contract list.⁶⁰ The AHCA maintains a website that contains instructions, templates, and submission directions.⁶¹ The AHCA also regularly sends communications to the health plans as to technical details, changes, or corrections to reporting.⁶²

One of the reports requires Medicaid managed care plans to disclose and file their administrative subcontractors and affiliates.⁶³ This report is to be filed quarterly.⁶⁴ The report is publicly available.⁶⁵ In the instructions for the report, the following definition of "affiliate" is used:

For purposes of this report, "affiliate" or "affiliated person" means:

(1) Any person or entity who directly or indirectly manages, controls, or oversees the operation of the Managed Care Plan, regardless of whether

<https://www.federalregister.gov/documents/2011/12/07/2011-31289/medical-loss-ratio-requirements-under-the-patient-protection-and-affordable-care-act> (last visited Feb. 25, 2026).

⁵⁸ Email from staff of the Agency for Health Care Administration to staff of the Senate Committee on Health Policy, (Feb. 9, 2026), (on file with the Senate Health Policy Committee).

⁵⁹ Agency for Health Care Administration Model Contract, FPXXX, Attachment II, Update Oct. 1, 2025(available at: <https://ahca.myflorida.com/content/download/27248/file/Attachment%20II-%20-%20Core%20Contract%20Provisions%20Oct%202025.pdf>).

⁶⁰ *Id.* at p. 229-230.

⁶¹ Agency for Health Care Administration, *2025-2030 Medicaid Managed Care Plan Report Guide*, <https://ahca.myflorida.com/site/medicaid/statewide-medicaid-managed-care/reports-guides/2025-2030-medicaid-managed-care-plan-report-guide> (last visited Feb. 25, 2026).

⁶² Agency for Health Care Administration, *Agency Communications to SMMC Plans, Effective 2018-2024*, available at: <https://ahca.myflorida.com/medicaid/statewide-medicaid-managed-care/agency-communications-to-smmc-plans-effective-2018-2024> (last visited Feb. 25, 2026).

⁶³ Agency for Health Care Administration Model Contract, FPXXX, Attachment II, Update Oct. 1, 2025(available at: <https://ahca.myflorida.com/content/download/27248/file/Attachment%20II-%20-%20Core%20Contract%20Provisions%20Oct%202025.pdf>).

⁶⁴ *Id.* at p. 229.

⁶⁵ Agency for Health Care Administration, *Administrative Subcontractors and Affiliates Report*, 4th quarter of 2025, https://ahca.myflorida.com/content/download/28160/file/Administrative_Subcontractors_and_Affiliates_Report_Cumulative_Q4%202025%20PDF.pdf (last visited Feb. 25, 2026).

such person or entity is a partner, shareholder, owner, officer, director, agent, or employee of the entity;

(2) Any person or entity who has a financial relationship with the Managed Care Plan as defined by 42 CFR 438.320(1); and/or

(3) An individual or entity who meets the definition of an affiliate as defined in 48 CFR 19.101.⁶⁶

The report is described as informational only.⁶⁷ If a subcontractor or affiliate has been reported on the provider network file, then it is not to be included in this report.⁶⁸ The report requires the managed care plans to describe the payment methodology to such subcontractors or affiliates.⁶⁹

Under federal regulations, there is a definition of “financial relationship” as follows:

Financial relationship means—

(1) A direct or indirect ownership or investment interest (including an option or nonvested interest) in any entity. This direct or indirect interest may be in the form of equity, debt, or other means, and includes any indirect ownership or investment interest no matter how many levels removed from a direct interest; or

(2) A compensation arrangement with an entity.⁷⁰

This definition is applicable to 42 C.F.R. part 438, which is the section of the federal regulations applicable to managed care contracting for state Medicaid programs.

Federal law requires the AHCA to obtain disclosure from any person or entity who, directly or indirectly, has a controlling interest or ownership interest in the managed care entity. Any entity that provides services under the managed care contract and who has a controlling interest or ownership interest in the managed care entity, or with which the managed care entity has a controlling interest or ownership interest, must be disclosed.⁷¹ The relationship is traced through spouse, parent, child, or sibling.⁷² The threshold for reporting an ownership interest is five percent or greater.⁷³ The disclosures are to be made upon:

- The entity submitting a proposal during the procurement process,
- The entity executing a contract with the state,
- Renewal or extension of the contract, and
- Within 35 days of a change of ownership.⁷⁴

⁶⁶ Agency for Health Care Administration, *SMMC Managed Care Report Guide Administrative Subcontractor and Affiliates Report Summary* (Feb. 1, 2025) at p. 1, note 2, https://ahca.myflorida.com/content/download/25779/file/AdministrativeSubcontractorsandAffiliatesReportSummary_2.1.2025.pdf (last visited Feb. 25, 2026).

⁶⁷ *Id.*

⁶⁸ *Id.*

⁶⁹ *Id.* at p. 3.

⁷⁰ 42 C.F.R. § 438.320

⁷¹ 42 C.F.R. § 455.104. This section likewise applies to providers in FFS and SMMC. *See also* 42 C.F.R. § 438.608(c)(2).

⁷² 42 C.F.R. § 455.104(b)(2)

⁷³ *Id.*

⁷⁴ 42 C.F.R. § 455.104(c)(3)

A managed care plan that fails to make such disclosures can cause the state to lose the federal financial participation paid to that health plan.⁷⁵

Section 409.966(3)(b), F.S., provides a definition of the term “business relationship,” as follows:

“Business relationship” means an ownership or controlling interest, an affiliate or subsidiary relationship, a common parent, or any mutual interest in any limited partnership, limited liability partnership, limited liability company, or other entity or business association, including all wholly or partially owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates of such entities, business associations, or other enterprises, that exists for the purpose of making a profit.

When applying for a managed care plan contract via SMMC procurement, a plan is required to disclose all these business relationships. The AHCA may not select plans in the same region which have a business relationship with each other. Failure to disclose a business relationship can result in disqualification in the procurement.⁷⁶

Section 409.901(1), F.S., provides a definition of “affiliate,” which is:

“Affiliate” or “affiliated person” means any person who directly or indirectly manages, controls, or oversees the operation of a corporation or other business entity that is a Medicaid provider, regardless of whether such person is a partner, shareholder, owner, officer, director, agent, or employee of the entity.

Medicaid providers and managed care plans are required to report within 30 days any change of any principal, officer, director, agent, or affiliated person, and when ownership changes by five percent or more.⁷⁷ There is also a requirement that such persons must have a level 2 background check.⁷⁸

The AHCA may deny participation in the Medicaid program to an applicant or revoke any current provider agreement or contract if an affiliated person, or owner of five percent or more (or any of the others previously described) has:

- Failed to pay any outstanding overpayments;
- Makes a false representation on an application;
- Fails to disclose a controlling interest or ownership interest;
- Has been excluded, suspended, terminated, or involuntarily withdrawn from participation in the Florida Medicaid program, or any other governmental or private health insurance program; or

⁷⁵ 42 C.F.R. § 455.104(f). This section likewise applies to providers in FFS and SMMC.

⁷⁶ Section 409.966(2), F.S.

⁷⁷ Section 409.907(2)(k), F.S.

⁷⁸ Section 409.907(8)(a)2., F.S. However, if such persons are members of a unit of local government, or any business that derives more than 50 percent of its revenue from the sale of goods to the final consumer, and the business or its controlling parent is required to file a form 10-K or other similar statement with the Securities and Exchange Commission or has a net worth of \$50 million or more, they may be relieved of the obligation for background screening. *See*: s. 409.907(8)(c), F.S.

- Has been found by any licensing, certifying or professional board or agency to have violated the standards or condition of such licensure or certification.⁷⁹

Also, the AHCA may likewise suspend or terminate a provider agreement or contract if any of the following occurs to an affiliated person or five percent or greater owner, principal, officer, director, agent, managing employee, of a provider of services to the Medicaid program:

- He or she is terminated by any state Medicaid program or Medicare,⁸⁰ or
- He or she is convicted of a criminal offense under federal law or the law of any state relating to the practice of the provider's profession, or a criminal offense listed under ss. 408.809(4), 409.907(10), or 435.04(2), F.S.⁸¹

The AHCA must determine whether the entity participated or acquiesced in the reason such affiliated person, or five percent owner (or any of the others previously described), was terminated, suspended, or convicted. If the AHCA imposes any administrative sanction because of the foregoing actions of a principal, officer, director, agent, managing employee, affiliated person, or five percent owner, then it must notify the entity.⁸²

Pharmacy Benefits Under Various Forms of Health Insurance or Health Coverage

Various forms of health insurance or health coverage include pharmacy benefits.

Section 626.8825(1)(u), F.S., provides a definition designed to capture such various plans or programs that provide coverage and make payment for pharmacy benefits. The term “pharmacy benefits plan or program” is defined under that section of statute as follows:

“Pharmacy benefits plan or program” means a plan or program that pays for, reimburses, covers the cost of, or provides access to discounts on pharmacist services provided by one or more pharmacies to covered persons who reside in, are employed by, or receive pharmacist services from this state. The term includes, but is not limited to, health maintenance organizations, health insurers, self-insured employer health plans, discount card programs, and government-funded health plans, including the Statewide Medicaid Managed Care program established pursuant to part IV of chapter 409 and the state group insurance program pursuant to part I of chapter 110. The term excludes such a plan or program under chapter 440.⁸³

Pharmacy Benefit Managers and the Prescription Drug Supply Chain

Health insurers, health maintenance organizations (HMOs), or self-insured employers may contract with pharmacy benefit managers (PBMs) to manage their prescription drug benefits to

⁷⁹ Section 409.907(10), F.S.

⁸⁰ Section 409.907(14), F.S.

⁸¹ Section 409.907(13), F.S.

⁸² Section 409.908(24), F.S.

⁸³ Chapter 440, F.S., is Florida's “Workers’ Compensation Law.”

reduce the overall costs of prescription drugs.⁸⁴ PBMs administer drug benefits and negotiate rebates with drug manufacturers, provide mail-order pharmacy services, create drug formularies, provide disease management, conduct drug utilization management, and adjudicate claims. The PBMs, or their affiliated group purchasing organization (GPO), may negotiate rebates with pharmaceutical manufacturers, generally for brand-name and specialty drugs, in exchange for placement on a health plan's formulary.⁸⁵

In recent years, the affordability of prescription drugs has gained national attention, resulting in PBMs and drug manufacturers coming under scrutiny as policymakers have attempted to understand their role in the drug supply chain. Many stakeholders (drug manufacturers, drug wholesalers, pharmacy services administrative organizations, pharmacies, PBMs, health plans, employers, and consumers) are involved with, and pay different prices for, prescription drugs as they move from the drug manufacturer to the ultimate consumer.

Once a prescription drug has been developed and approved for sale, drug manufacturers set their price. The prices that maximize manufacturers' revenues from brand-name drugs depend on factors such as exclusive sales rights for newly approved brand-name products, the prevalence of health insurance coverage for prescription drugs, and buyers' willingness to pay for brand-name drugs in various market segments.⁸⁶ Brand-name drugs often face competition from other drugs with similar clinical effects, which can put downward pressure on prices. The combination of exclusive sales rights and insurance coverage can give drug manufacturers considerable leverage in their price negotiations with purchasers, which may lead to higher prices.⁸⁷

It can be difficult to determine the final price of a prescription drug. The final price of a drug may include rebates and discounts to insurers, HMOs, or PBMs or their GPOs. Market participants, such as drug wholesalers, may add their own mark-ups and fees, and drug manufacturers may offer direct consumer discounts, such as prescription drug coupons that can be redeemed when filling a particular prescription at a pharmacy.⁸⁸

Independent community pharmacies represent about 35 percent of all retail pharmacies in the U.S.⁸⁹ Many of the independent pharmacies contract with pharmacy services administrative organizations (PSAO) to interact on their behalf with other stakeholders, such as drug wholesalers and third-party payers like large private and public health plans and their PBMs.⁹⁰ The PSAOs develop networks of pharmacies, and negotiate on their behalf with third-party

⁸⁴ Commonwealth Fund, *Pharmacy Benefit Managers and Their Role in Drug Spending* (Apr. 22, 2019), <https://www.commonwealthfund.org/publications/explainer/2019/apr/pharmacy-benefit-managers-and-their-role-drug-spending> (last visited Feb. 25, 2026).

⁸⁵ *Id.*

⁸⁶ Congressional Budget Office, *Alternative Approaches to Reducing Prescription Drug Prices* (Oct. 2024) <https://www.cbo.gov/publication/60812> (last visited Feb. 25, 2026).

⁸⁷ *Id.*

⁸⁸ Reynolds, Ian, et. al., *The Prescription Drug Landscape, Explored*, Mar. 2019, The Pew Charitable Trusts, <https://www.pew.org/en/research-and-analysis/reports/2019/03/08/the-prescription-drug-landscape-explored> (last visited Feb. 25, 2026).

⁸⁹ National Community Pharmacists Association, *NCPA Releases 2023 Digest Report* (Oct. 15, 2023), <https://ncpa.org/newsroom/news-releases/2023/10/15/ncpa-releases-2023-digest-report> (last visited Feb. 25, 2026).

⁹⁰ General Accounting Office, *The Number, Role, and Ownership of Pharmacy Services Administrative Organizations* (GAO-13-176) (Feb 28, 2013) <https://www.gao.gov/products/GAO-13-176> (last visited Jan. 28, 2026).

payers, such as PBM's, on the pharmacy's behalf.⁹¹ A PSAO may also provide credentialing and compliance assistance, claims reconciliation, and provide support relating to PBM audits of pharmacy.⁹²

Compensation of PBMs

The PBMs receive compensation from health plans or employers for their services in a variety of ways. For example, a health plan may opt for an administrative fee contract, in which they pay the PBM directly for all of the services provided.⁹³ Some health plans may choose to use a spread pricing model in which the health plan pays the PBM a set price for each prescription filled, and the PBM retains the difference between the price paid by the health plan and the price paid to the pharmacy as a form of compensation.⁹⁴ In addition, PBMs may retain a portion of drug manufacturer rebates to offset the fees health plans would otherwise pay. PBMs may obtain significant rebates from manufacturers, and are reported to often pass on 90 to 95 percent of rebates to the plan sponsor.⁹⁵ An increasing number of PBMs are using “pass-through” pricing at mail order and specialty.⁹⁶ In these instances, they will charge a dispensing fee, an administrative fee and sometimes shipping charges, all of which help to offset the revenue lost by moving away from spread pricing.⁹⁷ Generally, a contract between a PBM and a health plan or an employer specifies the amount a plan or an employer will pay a PBM for brand name and generic drugs and specify certain savings guarantees.⁹⁸

Vertical Integration Relating to PBM Ownership⁹⁹

The “Big Three” PBMs – CVS Caremark, Express Scripts, and OptumRx – manage approximately 80 percent of prescription drug claims for approximately 270 million people.¹⁰⁰

⁹¹ Pace, Scott, *The Role and Value of Pharmacy Services Administrative Organizations*, (2022), https://content.naic.org/sites/default/files/call_materials/The%20Role%20and%20Value%20of%20Pharmacy%20Services%20Administrative%20July%202022.pdf (last visited Feb. 25, 2026).

⁹² *Id.*

⁹³ Mercer, *Understanding the Debate over PBMs* (Aug. 1, 2024) <https://www.mercer.com/en-us/insights/us-health-news/understanding-the-debate-over-pbms/> (last visited Feb. 25, 2026).

⁹⁴ *Id.*

⁹⁵ Avalere Health, *The Role of PBMs in the US Healthcare System* (June 2025) https://advisory.avalerehealth.com/wp-content/uploads/2025/06/The-Role-of-PBMs-in-the-US-Healthcare-System_White-Paper.pdf (last visited Jan. 28, 2026). See also, Mercer, US Health News, *Understanding the debate over PBMs* (Aug. 1, 2024), <https://www.mercer.com/en-us/insights/us-health-news/understanding-the-debate-over-pbms/> (last visited Feb. 25, 2026).

⁹⁶ *Id.*

⁹⁷ Avalere Health, *The Role of PBMs in the US Healthcare System* (June 2025) https://advisory.avalerehealth.com/wp-content/uploads/2025/06/The-Role-of-PBMs-in-the-US-Healthcare-System_White-Paper.pdf (last visited Jan. 28, 2026). See also, Mercer, US Health News, *Understanding the debate over PBMs* (Aug. 1, 2024), <https://www.mercer.com/en-us/insights/us-health-news/understanding-the-debate-over-pbms/> (last visited Feb. 25, 2026).

⁹⁸ Health Affairs, *Policy Options To Help Self-Insured Employers Improve PBM Contracting Efficiency* (May 29, 2019) <https://www.healthaffairs.org/content/forefront/policy-options-help-self-insured-employers-improve-pbm-contracting-efficiency> (last visited Feb. 25, 2026).

⁹⁹ National Association of Insurance Commissioners, *A GUIDE TO UNDERSTANDING PHARMACY BENEFIT MANAGER AND ASSOCIATED STAKEHOLDER REGULATION* (Rev. Sep. 29, 2023) https://content.naic.org/sites/default/files/PBM%252520White%252520Paper%252520Draft%252520Adopted%252520B%252520Committee%25252011-2-23_0.pdf (last visited Feb. 25, 2026).

¹⁰⁰ Kaiser Family Foundation, *What to Know about Pharmacy Benefit Managers and Federal Efforts at Regulation* (Dec. 18, 2025) <https://www.kff.org/other-health/what-to-know-about-pharmacy-benefit-managers-pbms-and-federal-efforts-at-regulation/> (last visited Feb. 25, 2026).

Coupled with the next three largest PBMs – Humana Pharmacy Solutions, MedImpact, and Prime – they represent 94 percent of prescription drug claims in the U.S. (Collectively, these six PBMs are sometimes known as the “Big Six.”)

Vertical integration is the combination into one company of at least two stages of production normally performed by separate companies. The Big Six PBMs have become vertically integrated within entities that provide a broad range of services across the pharmaceutical supply chain and other segments of the health care sector, as illustrated in Figure 1.¹⁰¹

The three largest PBMs are each affiliated with a health plan and a pharmacy, so the parent company owns or controls up to three stages or more of the drug supply chain. Some PBMs are also affiliated with health care providers, such as retail clinic services. Vertical integration may allow a company to combine operations between stages of production and pass the savings from smaller transaction costs to their customers. Various PBMs are now vertically integrated with upstream suppliers of goods and services, including drug private labelers¹⁰² and provider groups. PBMs are also vertically integrated with midstream distributors, including retail, mail order, and specialty pharmacies.

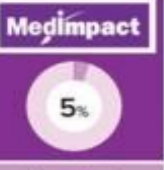
Downstream, PBMs may be vertically integrated with large health insurers which, through their health plans and plan sponsor services, provide health coverage for hundreds of millions of Americans. Due to the high degree of consolidation and vertical integration, the dominant PBMs can often exercise significant control over which drugs are available, at what price, and which pharmacies patients can use to access their prescribed medications.¹⁰³

¹⁰¹ Kaiser Family Foundation, *What to Know about Pharmacy Benefit Managers and Federal Efforts at Regulation* (Dec. 18, 2025) <https://www.kff.org/other-health/what-to-know-about-pharmacy-benefit-managers-pbms-and-federal-efforts-at-regulation/> (last visited Feb. 25, 2026).

¹⁰² Freyr Blog, *Private Labeling in Pharma: Challenges and Solutions* (Apr. 20, 2023) <https://www.freyrsolutions.com/blog/private-labeling-in-pharma-challenges-and-solutions> (last visited Feb. 25, 2026).

¹⁰³ *Id.*

Figure 1. PBM Ownership and Vertical Integration

Parent/Owner	CVS Health Corporation	The Cigna Group	UnitedHealth Group Inc.	Humana Inc.	MedImpact Holdings Inc.	19 BlueCross BlueShield plans
Drug Private Labeler	Cordavis Limited	Qualient Pharmaceuticals	NUVAILA			
Health Care Provider	MinuteClinic, Signify Health	Evernorth Care Group	Optum Health	CenterWell		
Pharmacy Benefit Manager	 CVS Caremark 34%	 EXPRESS SCRIPTS 23%	 Optum Rx [®] 22%	 Humana Pharmacy Solutions 7%	 MedImpact 5%	 PRIME Therapeutics 3%
"PBM GPO"/Rebate Aggregator	Zinc Health Services	Ascent Health Services	Emisar Pharma Services	Ascent (via contract)	Prescient Holdings Group LLC	Ascent (minority owner)
Pharmacy - Retail	CVS Pharmacy					
Pharmacy - Mail Order	CVS Caremark Mail Service Pharmacy	Express Scripts Pharmacy	Optum Rx Mail Service Pharmacy	CenterWell Pharmacy	Birdi, Inc.	Express Scripts Pharmacy (via contract)
Pharmacy - Specialty	CVS Specialty Pharmacy	Accredo	Optum Specialty Pharmacy	CenterWell Specialty Pharmacy	Specialty by Birdi	Accredo (via contract)
Health Insurer	Aetna	Cigna Healthcare	UnitedHealthcare	Humana		19 BlueCross BlueShield plans

PBM Payment of Affiliate Pharmacies¹⁰⁴

In 2022, a federal report found that commercial health plans paid affiliated pharmacies roughly 80 to 90 percent more than unaffiliated pharmacies for abiraterone acetate (generic Zytiga) and imatinib mesylate (generic Gleevec). Pharmacies affiliated with the Big Three PBMs were often paid 20 to 40 times National Average Drug Acquisition Cost (NADAC),¹⁰⁵ and significantly more than unaffiliated pharmacies, for the two case studies of specialty generic drugs for cancer treatment for both the commercial and Medicare Part D payer groups.¹⁰⁶ For example, commercial health plans reimbursed affiliated pharmacies for abiraterone acetate (generic Zytiga) in 2022 more than \$5,800 per month, on average—or approximately 25 times the

¹⁰⁴ Federal Trade Commission, Office of Policy Planning, *Pharmacy Benefit Managers: The Powerful Middlemen Inflating Drug Costs and Squeezing Main Street Pharmacies*, Interim Staff Report (July 2024) https://www.ftc.gov/system/files/ftc_gov/pdf/pharmacy-benefit-managers-staff-report.pdf (last visited Feb. 25, 2026).

¹⁰⁵ The NADAC is an index of drug acquisition costs based on surveys of invoices voluntarily provided primarily by small, independent pharmacies. See *Retail Price Survey*, Medicaid.gov (Jan. 5, 2026) <https://www.medicaid.gov/medicaid/prescription-drugs/retail-price-survey/index.html> (last visited Feb. 25, 2026).

¹⁰⁶ Federal Trade Commission, Office of Policy Planning, *Pharmacy Benefit Managers: The Powerful Middlemen Inflating Drug Costs and Squeezing Main Street Pharmacies*, Interim Staff Report (July 2024) https://www.ftc.gov/system/files/ftc_gov/pdf/pharmacy-benefit-managers-staff-report.pdf (last visited Feb. 25, 2026). Gross reimbursement to a pharmacy is the sum of the amounts paid by the PBM, the patient, and any other payers (e.g., a secondary insurer), as applicable. NADAC is based on the maximum NADAC observed each year for the most commonly dispensed dose of the drug. NADAC was not always available for other doses of the drug. The acquisition costs for those drugs may be lower or higher than the NADAC for the most commonly dispensed dose.

\$229 acquisition cost reflected by NADAC. For the second drug, imatinib mesylate (generic Gleevec), commercial health plan reimbursements to affiliated pharmacies averaged roughly \$2,700 per month in 2022, more than 40 times higher than the NADAC acquisition cost of \$66.

Payments to affiliated pharmacies by a PBM-affiliated fully insured health plan represent internal transfers from the PBM's vertically integrated insurer to its pharmacies. These internal transfers may have implications for medical loss ratios (MLRs), which are regulated under the federal Affordable Care Act and represent the percentage of premium revenue that health plans are required to spend on clinical care and quality improvement initiatives (80 to 85 percent) rather than administrative expenses and contributions to plan profits.¹⁰⁷

Industry experts have raised concerns that vertically integrated healthcare entities can game MLR requirements by shifting funds between affiliated entities. For example, if an affiliated insurer pays an inflated price for a specialty generic to its affiliated pharmacy, the higher payment is credited as spending on clinical care and helps the affiliated insurer satisfy its MLR obligations. At the same time, the payment is credited as revenue to the affiliated pharmacy. Because the pharmacy's revenue has no bearing on the affiliated insurer's MLR calculation, this transfer payment allows the vertically integrated PBM-insurer-pharmacy entity to retain revenue and profits while formally satisfying the MLR rule—but without providing the clinical care and quality improvements that the rule is meant to promote.

Private Label Drugs

Private labeling refers to the practice of a company manufacturing a product which is then sold under another company's brand name. Private labeling is a common practice used by companies to expand their product offerings without having to invest in the research and development required to create a new drug product. Essentially, the manufacturer produces the product and allows another company to attach its own label to it.

Biosimilar drugs¹⁰⁸ can provide lower cost options for federally approved brand name drugs that reduce the price per prescription, on average, by 40 percent.¹⁰⁹ For example, Humira, characterized as the world's best-selling drug, had an average gross cost of \$7,000 per month.¹¹⁰ In 2023, CVS Health launched Cordavis, an international subsidiary that coproduces biosimilars with manufacturers, such as Sandoz.¹¹¹ Optum and ESI soon followed CVS Health by

¹⁰⁷ *Id.* at p. 31., noting MLR statutory requirement of 80 percent for individual and small group health plans and 85 percent for large group health plans. MLRs are regulated for commercial fully insured health plans.

¹⁰⁸ A biosimilar drug is highly similar and has no clinically meaningful differences when compared to the original FDA-approved biological product (reference product). Biosimilar drugs are made with the same types of living organism as the reference product. See U.S. Food and Drug Administration, *Overview of Biosimilar Products*, <https://www.fda.gov/media/151058/download?attachment> (last visited Feb. 25, 2026).

¹⁰⁹ Nelson, Nelsie, Sequoia Blog, Foreword, *How Biosimilars Can Significantly Reduce Pharmacy Costs for Employers* (Dec. 18, 2024) <https://www.sequoia.com/2024/12/how-biosimilars-can-significantly-reduce-pharmacy-costs-for-employers/> (last visited Feb. 25, 2026). Many biosimilars lack interchangeability status, meaning the ability for the dispensing pharmacy to automatically substitute the biosimilar for the original, brand name product without additional approval from the prescribing provider.

¹¹⁰ *Id.*

¹¹¹ Fein, Adam J., Drug Channels, *When Payers Become Producers: Inside the PBM Private-Labeling Trend* (Aug. 16, 2024) <https://www.drugchannels.net/2024/08/when-payers-become-producers-inside-pbm.html> (last visited Feb. 25, 2026).

announcing partnerships with third-party biosimilar procurers and private-label manufacturers to coproduce and co-label their own biosimilars to prefer on their formularies market.¹¹² In April 2024, Cigna Group's Evernorth Health Services announcing the production of a \$0 copay Humira biosimilar via its subsidiary Quallent Pharmaceuticals, a private-label distributor.¹¹³

For 2025, the Big Three PBMs shifted national formularies to favor their private-label biosimilars over Humira and its many biosimilar competitors.¹¹⁴ Nearly all marketed Humira biosimilars were excluded from the larger PBMs' 2025 formularies.¹¹⁵ For 2025, Humira (original flavor) has or will no longer be placed on PBMs' standard formularies, and most marketed biosimilars will be excluded from the 2025 formularies.¹¹⁶ Instead, each PBM's formulary will give plan sponsors the option of a high-list-price biosimilar, a lower-priced private label product, and a low-list-price unbranded biosimilar.¹¹⁷

Due to the availability of multiple biosimilars in the market for Humira, there was an 80 percent cost savings per prescription for employer plans, even without rebates.¹¹⁸ The PBMs and manufacturing firms may share remaining revenues with contracted distributors, generating additional income back to the PBM. A product sold at an 80 percent discount of wholesale acquisition cost (WAC) discount leaves 20 percent left for revenue sharing with the PBM's distributor and biosimilar manufacturer.¹¹⁹ This new income stream to the PBM's parent can offset potential losses to rebate revenue.¹²⁰

The addition of a manufacturing subsidiary for a PBM is advantageous since it provides better cost control and supply chain dynamics, and allows the PBM to align an entire product distribution chain in their favor, excluding competitors and preferring their designated agents.¹²¹ However, this may not always result in the lowest net cost drug product available for employer plans.¹²²

Recent Federal Enforcement Actions Against PBMs

On February 4, 2026, the Federal Trade Commission (FTC) announced a settlement with Express Scripts, Inc., and its affiliated entities (collectively known as ESI). The settlement requires ESI to adopt fundamental changes to its business practices that increase transparency,

¹¹² Fein, Adam J., Drug Channels, *When Payers Become Producers: Inside the PBM Private-Labeling Trend* (Aug. 16, 2024) <https://www.drugchannels.net/2024/08/when-payers-become-producers-inside-pbm.html> (last visited Feb. 25, 2026).

¹¹³ *Id.* at 34.

¹¹⁴ *Id.*

¹¹⁵ *Id.*

¹¹⁶ *Id.*

¹¹⁷ *Id.*

¹¹⁸ Nelson, Nelsie, Sequoia Blog, Foreword, *How Biosimilars Can Significantly Reduce Pharmacy Costs for Employers* (Dec. 18, 2024) <https://www.sequoia.com/2024/12/how-biosimilars-can-significantly-reduce-pharmacy-costs-for-employers/> (last visited Feb. 25, 2026).

¹¹⁹ Vogenberg, F. Randy, PhD, BR&R Biosimilars Review and Report, *Employer Plans, Private-Label Biosimilars, Little Transparency* (Feb. 19, 2025) <https://biosimilarsrr.com/2025/02/19/employer-plans-private-label-biosimilars-little-transparency/> (last visited Feb. 25, 2026).

¹²⁰ *Id.*

¹²¹ Mehr, Stanton R., *Will the emerging private-label market access channel help or hinder biosimilar market access?* (Aug. 2025) <https://www.jmcp.org/doi/epdf/10.18553/jmcp.2025.31.8.824> (last visited Feb. 25, 2026).

¹²² *Id.*

are expected to reduce insureds' out-of-pocket costs for drugs like insulin by up to \$7 billion over 10 years and bring millions of dollars in new revenue to community pharmacies each year.

The FTC's settlement¹²³ resolves the FTC lawsuit^{124, 125} against ESI, which alleges that ESI artificially inflated the list price of insulin drugs by using anticompetitive and unfair rebating practices, and impaired patients' access to lower list price products, ultimately shifting the cost of high insulin list prices to vulnerable patients.

The FTC's enforcement action against ESI, as well as Caremark Rx and OptumRx, alleges that the PBMs created a system that artificially drove up the list prices of drugs by preferencing rebates. The complaint alleges that this system pushed insulin manufacturers, among others, to compete for preferred formulary coverage based on the size of rebates off the list price rather than net price, which ultimately benefitted the PBMs, including ESI, which keep a portion of the inflated rebates. According to the FTC's complaint, the inflated list prices hurt patients whose out-of-pocket payments like copayments and coinsurance are tied to the list price of the drug. ESI, under the FTC's proposed consent order, has agreed to:

- Stop preferring on its standard formularies high wholesale acquisition cost versions of a drug over identical low wholesale acquisition cost versions;
- Provide a standard offering to its plan sponsors that ensures that members' out-of-pocket expenses will be based on the drug's net cost, rather than its artificially inflated list price;
- Provide covered access to TrumpRx as part of its standard offering upon relevant legal and regulatory changes;
- Provide full access to its Patient Assurance Program's insulin benefits to all members when a plan sponsor adopts a formulary that includes an insulin product covered by the Patient Assurance Program unless the plan sponsor opts out in writing;
- Provide a standard offering to all plan sponsors that allows the plan sponsor to transition off rebate guarantees and spread pricing;
- Delink drug manufacturers' compensation to ESI from list prices as part of its standard offering;
- Increase transparency for plan sponsors, including with mandatory, drug-level reporting, providing data to permit compliance with the Transparency in Coverage regulations, and disclosing payments to brokers representing plan sponsors;
- Transition its standard offering to retail community pharmacies to a more transparent and fairer model based on the actual acquisition cost for a drug product plus a dispensing fee and additional compensation for non-dispensing services;

¹²³ Federal Trade Commission, *DECISION AND ORDER AS TO RESPONDENTS EXPRESS SCRIPTS, INC., EVERNORTH HEALTH, INC., MEDCO HEALTH SERVICES, INC., AND ASCENT HEALTH SERVICES LLC*, https://www.ftc.gov/system/files/ftc_gov/pdf/d09437caremarkproporder-esiresps.pdf (last visited Feb. 25, 2026).

¹²⁴ Federal Trade Commission, Press Release (Sept. 20, 2024) "FTC Sues Prescription Drug Middlemen for Artificially Inflating Insulin Drug Prices | Federal Trade Commission," <https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-sues-prescription-drug-middlemen-artificially-inflating-insulin-drug-prices> (last visited Feb. 25, 2026).

¹²⁵ The FTC's administrative complaint alleges that CVS Health's Caremark, Cigna's ESI, and United Health Group's Optum, and their respective GPOs, Zinc Health Services, Ascent Health Services, and Emisar Pharma Services, have abused their economic power by rigging pharmaceutical supply chain competition in their favor, forcing patients to pay more for life-saving medication. *See In the matter of Caremark Rx, LLC, et al, FTC Docket No. 9437, Complaint*, https://www.ftc.gov/system/files/ftc_gov/pdf/612314.2024.11.26_part_3_administrative_complaint_-_revised_public_redacted_version.pdf (last visited Feb. 25, 2026).

- Promote the standard offerings to plan sponsors and retail community pharmacies; and
- Reshore its group purchasing organization Ascent from Switzerland to the United States, which will bring back to the United States more than \$750 billion in purchasing activity over the duration of the order.

In a statement issued on September 20, 2024, the FTC’s Bureau of Competition stated that the PBMs are not the only potentially culpable actors – the Bureau also remains deeply troubled by the role drug manufacturers like Eli Lilly, Novo Nordisk, and Sanofi play in driving up list prices of life-saving medications like insulin.¹²⁶ Further, the statement indicated that all drug manufacturers should be on notice that their participation in the type of conduct challenged here raises serious concerns, and that the Bureau of Competition may recommend suing drug manufacturers in any future enforcement actions.

Florida Regulation of Pharmacy Benefit Managers

The Office of Insurance Regulation (OIR or office)¹²⁷ is responsible for the regulation of all activities of insurers and other risk-bearing entities, including licensure, rates, policy forms, market conduct, claims, solvency, administrative supervision, pursuant to the Florida Insurance Code (code).¹²⁸ The OIR also regulates PBMs. A PBM operating in Florida must be registered with OIR, pursuant to s. 624.490, F.S., and hold a valid certificate of authority (COA) as an insurance administrator.¹²⁹

A PBM is a person or an entity doing business in this state which contracts to administer prescription drug benefits on behalf of a pharmacy benefits plan or program. The term includes, but is not limited to, a person or an entity that performs one or more of the following services on behalf of such plan or program:

- Pharmacy claims processing.
- Administration or management of a pharmacy discount card program.
- Managing pharmacy networks or pharmacy reimbursement.
- Paying or managing claims for pharmacist services provided to covered persons.
- Developing or managing a clinical formulary, including utilization management or quality assurance programs.
- Pharmacy rebate administration.
- Managing patient compliance, therapeutic intervention, or generic substitution programs.
- Administration or management of a mail-order pharmacy program.¹³⁰

¹²⁶ Federal Trade Commission, Statement of FTC Bureau of Competition Deputy Director Rahul Rao on Lawsuit Against PBMs and the Role of Drug Manufacturers in Distorting Competition in the U.S Drug Distribution System (Sept. 20, 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/insulin-manufacturing-statement.pdf (last visited Feb. 25, 2026).

¹²⁷ The OIR is an office under the Financial Services Commission (commission), which is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture. The commission is not subject to control, supervision, or direction by the Department of Financial Services in any manner, including purchasing, transactions involving real or personal property, personnel, or budgetary matters. *See* s. 20.121(3), F.S.

¹²⁸ Section 20.121(3)(a)1., F.S.

¹²⁹ Section 626.8805(1), F.S.

¹³⁰ Section 626.88(6), F.S.

Requirements for Contracts Between a PBM and a Pharmacy Benefits Plan or Program

A contract between PBM and a pharmacy benefits plan or program must include terms that ensure compliance with the requirements of s. 626.8825(2), F.S., and, except to the extent not allowed by law, must supersede any contractual terms to the contrary. These requirements include, but are not limited to, requiring a PBM to:

- Use a pass-through pricing model, which is a payment model used by a PBM in which the payments made by the pharmacy benefits plan to the PBM for the covered outpatient drugs are:
 - Equivalent to the payments the PBM makes to a dispensing pharmacy or provider for such drugs, including any contracted professional dispensing fee between the pharmacy benefit manager and its network of pharmacies. Such dispensing fee would be paid if the pharmacy benefits plan was making the payments directly.
 - Passed through in their entirety by the pharmacy benefits plan or program or by the PBM to the pharmacy or provider that dispenses the drugs, and the payments are made in a manner that is not offset by any reconciliation.
- Exclude terms that allow for the engagement in the practice of spread pricing unless the PBM passes along the entire amount of such difference to the pharmacy benefits plan. Spread pricing is the practice in which a PBM charges a pharmacy benefits plan or program a different amount for pharmacist services than the amount the pharmacy benefit manager reimburses a pharmacy for such pharmacist services.
- Pass 100 percent of all prescription drug manufacturer rebates received to the pharmacy benefits plan, if the contractual arrangement delegates the negotiation of rebates to the PBM, for the sole purpose of offsetting defined cost sharing and reducing premiums of covered persons. Any excess rebate revenue after the PBM and the pharmacy benefits plan have taken all actions required pursuant to this provision must be used for the sole purpose of offsetting copayments and deductibles of covered persons. This provision does not apply to contracts involving Medicaid managed care plans.
- Include network adequacy requirements that meet or exceed Medicare Part D program standards for convenient access to the network pharmacies and that:
 - Do not limit a network to solely include affiliated pharmacies;
 - Require a PBM to offer a provider contract to licensed pharmacies physically located on the physical site of providers that meet one or more of the following criteria:¹³¹
 - Are within the geographic service area of the pharmacy benefits plan or program and that have been specifically designated as Medicaid essential providers by the AHCA;
 - Are designated as cancer centers of excellence regardless of the geographic service area of the pharmacy benefits plan or program;
 - Are organ transplant hospitals, regardless of the geographic service area of the pharmacy benefits plan or programs;
 - Are hospitals licensed as specialty children's hospitals; or
 - Are regional perinatal intensive care centers, regardless of the geographic service area of the pharmacy benefits plan or program.

¹³¹ Under s. 626.8825(2)(e)2., F.S., such provider contracts that a PBM must offer to licensed pharmacies physically located on the physical site of providers that meet one or more of the specified criteria “must be solely for the administration or dispensing of covered prescription drugs, including biological products, which are administered through infusions, intravenously injected, or inhaled during a surgical procedure or are covered parenteral drugs, as part of onsite outpatient care.”

- Not require a covered person to receive a prescription drug by U.S. mail, common carrier, local courier, third-party company or delivery service, or pharmacy direct delivery unless the prescription drug cannot be acquired at any retail pharmacy in the pharmacy benefit manager's network for the covered person's pharmacy benefits plan or program.
- Not requiring a covered person to receive pharmacist services from an affiliated pharmacy or an affiliated health care provider for the in-person administration of covered prescription drugs; and
- Not offering or implementing pharmacy networks that require a covered person, or provide to a covered person a promotional item or an incentive – defined as anything other than a reduced cost-sharing amount or enhanced quantity limit allowed under the benefit design for a covered drug – to use an affiliated pharmacy or an affiliated health care provider for the in-person administration of covered prescription drugs.

Requirements for Contracts Between a PBM and a Participating Pharmacy

A contract between PBM and a participating pharmacy must include terms that ensure compliance with the requirements of s. 626.8825(3), F.S., which include, but are not limited to:

- At the time of adjudication for electronic claims or the time of reimbursement for nonelectronic claims, the PBM must provide the pharmacy with a remittance, including such detailed information as is necessary for the pharmacy or pharmacist (pharmacy) to identify the reimbursement schedule for the specific network applicable to the claim and which is the basis used by the PBM to calculate the amount of reimbursement paid.
- A prohibition of financial clawbacks, reconciliation offsets, or offsets to adjudicated claims. A PBM may not charge, withhold, or recoup direct or indirect remuneration fees, dispensing fees, brand name or generic effective rate adjustments through reconciliation, or any other monetary charge, withholding, or recoupments as related to discounts, multiple network reconciliation offsets, adjudication transaction fees, and any other instance when a fee may be recouped from a pharmacy. This prohibition does not apply to:
 - Any incentive payments provided by the PBM to a network pharmacy for meeting or exceeding predefined quality measures, recoupment due to an erroneous claim, fraud, waste, or abuse; a claim adjudicated in error; a maximum allowable cost appeal pricing adjustment; or an adjustment made as part of a pharmacy audit.
 - Any recoupment that is returned to the state for programs in ch. 409, F.S., or the state group insurance program.
- Unless otherwise prohibited by law, a PBM may not prohibit a pharmacy from:
 - Offering mail or delivery services on an opt-in basis at the sole discretion of the covered person.
 - Mailing or delivering a prescription drug to a covered person upon request.
 - Charging a shipping or handling fee to a covered person requesting a prescription drug be mailed or delivered if the pharmacy discloses to the covered person before the mailing or delivery the amount of the fee that will be charged and that the fee may not be reimbursable by the covered person's pharmacy benefits plan or program.
- The PBM must provide a reasonable administrative appeal procedure to allow a pharmacy to challenge the maximum allowable cost (MAC) pricing information and the reimbursement made under MAC for a specific drug as being below the acquisition cost available to the challenging pharmacy.

- The pharmacy must be given at least 30 business days after an MAC update or after an adjudication for an electronic claim or reimbursement for a nonelectronic claim to file the administrative appeal. The PBM must respond to the administrative appeal within 30 business days after receipt of the appeal.
- If the appeal is upheld, the PBM must:
 - Update the MAC information to at least the acquisition cost available to the pharmacy;
 - Permit the pharmacy to reverse and rebill the claim in question;
 - Provide to the pharmacy or pharmacist the national drug code on which the increase or change is based; and
 - Make the increase or change effective for each similarly situated pharmacy or pharmacist who is subject to the applicable MAC pricing information.
- If the appeal is denied, the PBM must provide to the pharmacy or pharmacist the national drug code and the name of the national or regional pharmaceutical wholesalers operating in this state which have the drug currently in stock at a price below the MAC pricing information.
- Every 90 days, a PBM must report to the office the total number of appeals received and denied in the preceding 90-day period, with an explanation or reason for each denial, for each specific drug for which an appeal was submitted.

Prohibited Acts by a PBM

Pursuant to s. 626.8827, F.S., a PBM may not engage in the following acts:

- Prohibit, restrict, or penalize in any way a pharmacy from disclosing to any person any information that the pharmacy deems appropriate, including information regarding any of the following:
 - The nature of treatment, risks, or alternatives.
 - The availability of alternate treatment, consultations, or tests.
 - The decision of utilization reviewers or similar persons to authorize or deny pharmacist services.
 - The process used to authorize or deny pharmacist services or benefits.
 - Information on financial incentives and structures used by the pharmacy benefits plan or program.
 - Information that may reduce the costs of pharmacist services.
 - Whether the cost-sharing obligation exceeds the retail price for a covered prescription drug and the availability of a more affordable alternative drug.
- Communicate at the point-of-sale, or require, a cost-sharing obligation for the covered person in an amount that exceeds the lesser of the applicable cost-sharing amount under the applicable pharmacy benefits plan or program; or the usual and customary price, as defined in s. 626.8825, F.S., of the pharmacist services.
- Fail to comply with the requirements in s. 624.491, F.S., relating to pharmacy audits. or s. 626.8825, F.S., relating to PBM transparency and accountability provisions.

The OIR Examinations and Investigations of PBMs

The OIR must examine the business and affairs of each PBM at least biennially. The scope of the examination is to determine the PBM's compliance with all provisions of part VII of ch. 626, F.S., and must include a detailed review of the PBM's compliance with

ss. 626.8825 and 626.8827, F.S. In addition to any other enforcement authority available to the OIR, the OIR must impose an administrative fine of \$5,000 for each violation of ss. 626.8825 or 626.8827, F.S.

State Group Insurance Program

Pursuant to s. 110.123, F.S., the Department of Management Services (DMS), through the Division of State Group Insurance (DSGI), administers the State Group Insurance Program under a cafeteria plan consistent with s. 125 Internal Revenue Code. To administer the program, the DSGI contracts with third party administrators for self-insured health plans, a fully insured HMO, and a PBM for the state employees' Self-Insured Prescription Drug Program (PDP) pursuant to s. 110.12315, F.S. The program currently provides health and pharmacy benefits to over 170,000 state employees, retirees, and their dependents. The current PBM for the state employees' prescription drug plan is OptumRx.¹³² Under current law, there is no statutory minimum for the professional dispensing fee that a PBM must pay to a participating pharmacy. These fees are currently determined through contractual negotiations between the PBM and the pharmacies in its network, and between the PBM and DMS.¹³³

III. Effect of Proposed Changes:

Section 1 takes effect upon the bill becoming a law and amends s. 1.01, F.S., to create a definition for the term "Joint Legislative Committee on Medicaid Oversight" to specify a committee designated by joint rule of the Legislature, by the President of the Senate or the Speaker of the House of Representatives, or by agreement between the President of the Senate and the Speaker of the House of Representatives.

Section 2 takes effect upon the bill becoming a law and creates s. 11.405, F.S., to establish the Joint Legislative Committee on Medicaid Oversight to ensure that the state Medicaid program is operating in accordance with the Legislature's intent and to promote transparency and efficiency in government spending.

The bill requires that the committee be composed of five members of the Senate appointed by the President of the Senate and five members of the House of Representatives appointed by the Speaker of the House of Representatives, with each member serving a two-year term. The chair and vice chair must be appointed for one-year terms, with the appointments alternating between the President of the Senate and the Speaker of the House of Representatives. The chair and vice chair may not be members of the same house of the Legislature, and if both the chair and the vice chair are absent at any meeting, the members present must elect a temporary chair by a majority vote.

The bill requires that members serve without compensation, but authorizes reimbursement for per diem and travel expenses pursuant to s. 112.061, F.S. The bill authorizes the chair to establish subcommittees as needed to fulfill committee duties. The bill also requires the

¹³² Department of Management Services, Division of State Group Insurance
https://www.mybenefits.myflorida.com/myhealth/prescription_drug_plan (last visited Feb. 25, 2026).

¹³³ *Id.*

committee to convene at least twice a year, and as often as necessary to conduct its business. Meetings may be held through teleconference or other electronic means.

The bill requires the committee to evaluate all aspects of the state Medicaid program related to program financing, quality of care and health outcomes, administrative functions, and operational functions to ensure the program is providing transparency in the provision of health care plans and providers, ensuring access to quality health care services to Medicaid recipients, and providing stability to the state's budget through a health care delivery system designed to contain costs.

The bill requires the committee to identify and recommend policies that limit Medicaid spending growth while improving health care outcomes for Medicaid recipients. In developing its recommendations, the committee must do the following:

- Evaluate legislation for its long-term impact on the state Medicaid program.
- Review data submitted to the Agency for Health Care Administration (AHCA) by Medicaid managed care plans pursuant to statutory and contract requirements, including, but not limited to, timeliness of provider credentialing, timely payment of claims, rate of claim denials, prior authorization for services, and consumer complaints.
- Review the Medicaid managed care plans' encounter data, financials, and audits and the data used to calculate the plans' achieved savings rebates and medical loss ratios.
- Review data related to health outcomes of Medicaid recipients, including, but not limited to, Healthcare Effectiveness Data and Information Set (HEDIS) measures for each Medicaid managed care plan, each Medicaid managed care plan's performance improvement projects, and outcome data related to all quality goals included in the Medicaid managed care organization contracts to improve quality for recipients.
- Identify any areas for improvement in statute and rule relating to the state Medicaid program.
- Develop a plan of action for the future of the state Medicaid program.

The bill authorizes the committee to submit periodic reports, including recommendations, to the Legislature on issues related to the state Medicaid program and any affiliated programs.

The bill requires the Auditor General and the AHCA to enter into and maintain a data sharing agreement by July 1, 2026, to ensure the committee has full access to all data needed to fulfill its responsibilities. The Auditor General must assist the committee in its work by providing credentialed professional staff or consulting services, including, but not limited to, an actuary not associated with the state Medicaid program or any Medicaid managed care organization who currently has a contract with the state.

The bill requires the committee to be given access to any relevant record, paper, or document in possession of a state agency, any political subdivision of the state, or any entity engaged in business or under contract with a state agency during the course of its official duties. The committee may compel the attendance and testimony of any state official or employee before the committee or secure any evidence as provided in s. 11.143, F.S. The bill provides that the committee shall also have any other powers conferred on it by joint rules of the Senate and the House of Representatives, and any joint rules of the Senate and the House of Representatives applicable to joint legislative committees apply to the proceedings of the committee.

The bill requires the AHCA to notify the committee of any change to the Medicaid managed care capitation rates and to appear before the committee to provide a report detailing the managed care capitation rates and administrative costs built into the capitation rates before implementation of any change to the capitation rates. The report must include the AHCA's historical and projected Medicaid program expenditure and utilization trend rates by Medicaid program and service category for the rate year, an explanation of how the trend rates were calculated, and the policy decisions that were included in setting the capitation rates.

If the AHCA or any division within the AHCA is required by law to report to the Legislature or to any legislative committee or subcommittee on matters relating to the state Medicaid program, the bill requires the AHCA to submit a copy of the report to the committee.

Section 3 amends Statewide Medicaid Managed Care (SMMC) law in s. 409.962, F.S., to provide the following definitions:

- “Affiliate,” including the terms “affiliated with” and “affiliation,” means a person, as construed in s. 1.01(3), F.S.,¹³⁴ who:
 - Directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with a specified entity or person, including parent and subsidiary entities; or
 - Is deemed a “related party” according to the standards adopted by the Financial Accounting Standards Board.
- “Control,” including the terms “controlling,” “controlled by,” and “under common control with,” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership or voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person.

This definition of “control” applies under the bill regardless of whether such power is affirmative or negative or whether such power is actually used. Control is presumed to exist, but is not limited to, when any affiliate or person, as construed in s. 1.01(3), F.S.:¹³⁵

- Directly or indirectly owns, controls, holds the power to vote, or holds proxies representing 10 percent or more of any class of the voting securities of any other person.
- Shares common ownership with any person, has an investor or is a holder of an ownership interest in any person, exercises control in any manner over the election of a majority of the directors or of individuals exercising similar functions of any person, has the power to exercise controlling influence over the management of any person, or serves as a working majority of the board of directors, managers, or the officers of a person, who is:
 - A provider or a member of a provider group or group practice as defined in s. 456.053, F.S., under the managed care plan; or
 - A person responsible for providing any pharmacy services, pharmaceuticals, diagnostics, care coordination, care delivery, health care services, medical equipment, administrative services, or financial services under the managed care plan.

¹³⁴ Section 1.01(3), F.S., provides that the word “person” includes individuals, children, firms, associations, joint adventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

¹³⁵ *Id.*

Additionally, the bill defines the term “market rate” to mean “the price that a willing buyer will pay and a willing seller will accept in an arm’s-length transaction which is beneficial to both parties.”

Section 4 amends s. 409.967, F.S., as to matters involving Medicaid managed care plan accountability.

Encounter Data Reporting and Analysis

The bill requires Medicaid managed care plans to provide encounter data on encounters for which payment was denied and encounters for which a provider was reimbursed by the plan on a capitated basis.

Under the bill, the AHCA’s analysis of encounter data must be used to identify possible cases of overspending on administrative costs, payments by plans in excess of market rates, and potential managed care plan fraud, waste, and abuse. The bill requires the analysis to be used in SMMC managed care plan capitation rate-setting.

Third-Party Administrators

The bill requires that a contract between the AHCA and a Medicaid managed care plan must require that any third party administrative entity contracted by the plan must adhere to all pertinent requirements of the Medicaid program placed on the plan under the plan’s contract with the AHCA.

Achieved Savings Rebates

Payments by a Medicaid managed care plan to affiliated entities in excess of market rates are excluded as an allowable expense under the bill when the AHCA calculates a plan’s achieved savings rebate (ASR). (See Section 5, below, for further revisions to the ASR statute.)

Medical Loss Ratios

The bill provides that if required by federal regulations, the AHCA must calculate medical loss ratios (MLRs) for all plans contracted under the SMMC program, including managed medical assistance, long-term care managed care, and the pilot program for individuals with developmental disabilities. The bill requires MLRs to be calculated for a managed care plan separately for each SMMC component in which the plan participates and for the plan’s overall participation in SMMC. The AHCA must calculate such MLRs quarterly and annually and report to the Governor and the Legislature no later than six months after the end of each such period.

The bill also corrects the current reference in s. 409.967(4)(a), F.S., to certain federal MLR regulations so that federal regulations found in 42 C.F.R. part 438 are referenced relating to federal MLR requirements for Medicaid managed care plans.

The bill deletes current law’s provisions designed to allow managed care plans to donate funds to graduate medical education programs or indigent care and have those dollar amounts count as medical expenses in the MLR calculations. Those provisions were not approved by CMS in Florida’s SMMC waiver.

Affiliated Entities and Related Parties; Managed Care Plan Capitations

The AHCA is directed under the bill to ensure oversight of affiliated entities and related parties paid by managed care plans, including, but not limited to, examining financial records and self-referral data of any managed care plan providing services within SMMC which uses affiliated entities and related parties. The AHCA is also directed under the bill to consider data examined under such requirement and the findings of the annual assessment required under s. 409.9675(4), F.S., (created under Section 6, below) when developing SMMC managed care plan capitation rates.

Section 5 amends s. 409.967(3), F.S., effective January 1, 2027, to revise the profit-sharing percentages for the ASR. Under the bill, the ASR will be calculated by determining pretax income as a percentage of revenues and applying the following income sharing ratios:

- One hundred percent of income up to and including three percent of revenue (as opposed to five percent as in current law) will be retained by the plan.
- Thirty percent (as opposed to 50 percent as in current law) of income above that three percent mark and up to ten percent will be retained by the plan with the other 70 percent refunded to the state and adjusted for the federal match percentage.
- One hundred percent of income above 10 percent of revenue must be refunded to the state and adjusted for the federal match percentage, which is the same as current law.

Section 6 creates s. 409.9675, F.S., concerning affiliated entities and controlling interest reporting by Medicaid managed care plans. Each managed care plan is required under the bill to report to the AHCA and the Office of Insurance Regulation (OIR or office) the following:

- Any person controlled or affiliated with the managed care plan; and
- Any person who has an ownership interest of ten percent or greater in an affiliate or controlled entity.

The disclosure obligation concerns direct and indirect relationships. The list of affiliated or controlled entities includes any provider, group practice, pharmacy service, pharmaceutical, diagnostics, care coordination, care delivery, health care services, medical equipment, administrative or financial services to the managed care entity. The reporting is to commence March 31, 2027, and continue each year thereafter.

The contents of such annual report must contain the following information, as to any affiliations reported:

- Percentage of ownership or control of any person or entity who has any business transaction with the managed care plan in the aggregate of \$25,000 or more for the preceding twelve months. The identification of such business transaction must include the specific contracts involved.
- Any significant business transaction between the managed care plan and affiliated entity, during the preceding twelve months.

If there is a change in the reported data, such change must be reported to the AHCA and the OIR within 60 days of occurrence under the bill.

Affiliation information is to be assessed and publicly reported annually by the AHCA commencing December 31, 2026. The report is to include an assessment as to how affiliate payments impact the medical benefits and administrative cost for the ASR. The initial assessment is to use years 2021, 2022, and 2023 as baseline years. The assessment report must include information which shows the amount of affiliated entity payments within the MLR, how payments for affiliated entities compare to nonaffiliated entities, and payment amounts for value-based or alternative payment arrangements.

Section 7 amends s. 626.8825, F.S., relating to pharmacy benefits manager (PBM) transparency and accountability. The bill defines the term, “affiliated manufacturer,” to mean a prescription drug manufacturer permitted under part I of ch. 499, F.S., or a private label distributor as defined in 21 C.F.R. s. 207.1, which directly or indirectly through one or more intermediaries:

- Has an investment or ownership interest in a pharmacy benefit manager holding a certificate of authority issued under this part;
- Shares common ownership with a pharmacy benefit manager holding a certificate of authority issued under this part; or
- Has an investor or a holder of an ownership interest which is a pharmacy benefit manager holding a certificate of authority issued under this part.

The bill excludes organizations that participate in the Program of All-Inclusive Care for Elderly (PACE) from the current-law definition “pharmacy benefits plan or program.”

The bill revises requirements that a PBM may impose on specialty network participation, relating to drug safety, by removing references to provider coordination, clinical care, and monitoring since they are required to meet drug safety standards related to meeting Federal Drug Administration (FDA) limited distribution requirements for dispensing drugs.

The bill also clarifies that a PBM may not offset or recoup any remuneration fees, dispensing fees, brand name or generic effective rate adjustments, recoupments or other adjustments from a pharmacy if such action would reduce the amount paid to the pharmacy.

The bill revises the administrative appeal process for contesting the maximum allowable cost (MAC) pricing information and the reimbursement made for a specific drug by allowing a pharmacy or pharmacist the option to submit an electronic spreadsheet containing a consolidated administrative appeal representing multiple adjudicated claims that share the same drug and day supply and have a date of service occurring within the same calendar month.

The bill revises the MAC appeals deadline for PBMs to submit quarterly reports to the OIR to provide the deadlines are March 1 for the preceding year’s fourth quarter; May 15 for each year’s first quarter; August 15 for each year’s second quarter; and November 15 for each year’s third quarter. Currently such reports are due every 90 days for the preceding 90 days.

Section 8 amends s. 626.8827, F.S., relating to PBM prohibited practices, to provide that a breach of contractual terms required under s. 626.8825, F.S., is a prohibited practice.

The bill prohibits a PBM from restricting a pharmacy from declining to dispense a drug if the reimbursement rate for the drug is less than the actual acquisition cost to the pharmacy. The bill also prohibits a PBM from reimbursing a pharmacy less than it reimburses an affiliate pharmacy.

Lastly, the bill prohibits a PBM from maintaining an ownership interest, investment interest, or common ownership with an affiliated manufacturer, or share any investor or holder of an ownership interest with an affiliated manufacturer.

Section 9 contains a technical amendment to conform a statutory reference in s. 627.42392, F.S., to changes made elsewhere in the bill.

The bill takes effect July 1, 2026, except for Sections 1 and 2 of the bill, which are effective upon the bill becoming a law, and Section 5, which takes effect January 1, 2027.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None identified.

B. Public Records/Open Meetings Issues:

None identified.

C. Trust Funds Restrictions:

None identified.

D. State Tax or Fee Increases:

None identified.

E. Other Constitutional Issues:

Impairment of Contracts

Both the U.S. and Florida Constitutions prohibit laws that substantially impair existing contractual obligations. Florida courts apply a three-part test examining whether the law: (1) substantially impairs a contractual relationship; (2) serves a significant and legitimate public purpose; and (3) employs means reasonably necessary to achieve that purpose.

The bill's mandate prohibiting pharmacy benefits manager (PBM) affiliations with manufacturers would materially alter the financial and structural terms of existing multi-year contracts between Department of Management Services (DMS) and PBM vendors. If applied to contracts executed before July 1, 2026, these provisions are likely to constitute a "substantial impairment," since they increase mandatory payouts and restrict corporate structure mid contract. The Florida Supreme Court held in *Dewberry v. Auto-Owners Ins. Co.*, that legislation diminishing the value of an existing contract, such as by

increasing required payments may violate the Contracts Clause. Absent a clear prospective application, these provisions face an elevated risk of being found unconstitutional as applied to existing state contracts.

Equal Protection and Structural Divestiture

The bill’s prohibition on PBMs owning or investing in “affiliated manufacturers” targets a specific vertical integration model and may be challenged under the Equal Protection Clause. Similar prohibitions are being attempted in Arkansas and are being challenged as a “Bill of Attainder” because they allegedly targeted three specific national PBM’s for “punishment “forced divestiture” without trial.¹³⁶ If Florida cannot demonstrate that manufacturer affiliation uniquely causes public harm, distinct from other forms of vertical integration such as PBM pharmacy or PBM insurer relationships; the provision may be vulnerable to claims that it is arbitrary and unconstitutional.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Medicaid Managed Care Plans

The Agency for Health Care Administration (AHCA) reports that if the revisions to achieved savings rebate (ASR) profit-sharing percentages in Section 5 of the bill had been in effect in 2024 (the most recent calendar year for which ASRs have been finalized), Medicaid managed care plans would have been required to return approximately \$128.3 million more in profit to the state for that year, in addition to the \$51.3 million that was returned for 2024 under current law.¹³⁷

Medicaid managed care plans may also be negatively impacted by the bill’s requirements for payments made by the plans in excess of “market rates” to be considered in the capitation rate-setting process and to be excluded from ASR calculations.

Health Insurers, Health Maintenance Organizations (HMOs), Pharmacies, and Consumers of Health Coverage

The bill also allows a pharmacy to refuse to fill a prescription if the reimbursement is less than the acquisition cost of the drug, regardless of other contractual terms involved in

¹³⁶ On July 28, 2025, Judge Brian Miller of the U.S. District Court for the Eastern District of Arkansas granted a preliminary injunction preventing the law from taking effect because it likely violates the Commerce Clause of the U.S. Constitution and is likely preempted by TRICARE. *Express Scripts Inc et al v. Richmond et al*, No. 4:2025cv00520 - Document 73 (E.D. Ark. 2025), <https://law.justia.com/cases/federal/district-courts/arkansas/aredce/4:2025cv00520/147864/73/> (last visited Feb. 25, 2026v).

¹³⁷ Agency for Health Care Administration, *SB 1760 Legislative Bill Analysis* (Jan. 13, 2026) (on file with the Senate Committee on Health Policy).

such reimbursement. This may result in increased costs for health insurers and HMOs as they must increase reimbursement rates to maintain pharmacy participation to ensure network adequacy. Any expenditure increases will likely be passed on to individuals in the form of health insurance premium increases.

Pharmacies may see a positive fiscal impact, as they can refuse to dispense medications at a loss and still remain within a insurer's network.

C. Government Sector Impact:

The bill has a significant, positive impact on state revenues and expenditures.

The bill will have a significant, positive fiscal impact on state. An Agency for Health Care Administration (AHCA) analysis of 2024 data indicates that, in addition to the \$51.3 million in profit refunded to the Florida Medicaid program for that calendar year, approximately \$128.3 million in additional managed care plan profit would have been refunded in the aggregate if the bill's revisions to the Achieved Savings Rebate (ASR) had been in effect in 2024.¹³⁸ The federal share of those additional refunds would have been returned to the federal government, consistent with the applicable federal Medicaid match rate.

The chart below compares the actual historical amounts retained and refunded by the managed care plans with the amounts that would have been retained and refunded had the bill's ASR language been in effect during that period.

Impact of Changing Achieved Savings Rebate Calculation

CURRENT			PROPOSED		
Income as Percentage of Revenue	Retained by Plans	Refunded to State	Income as Percentage of Revenue	Retained by Plans	Refunded to State
0-5%	100%	0%	0-3%	100%	0%
5% - 10%	50%	50%	3% - 10%	30%	70%
> 10%	0%	100%	> 10%	0%	100%

ASR Year	Net Income	Current ASR	Current Retained	Proposed ASR	Proposed Retained	Change in ASR
2016	491,271,382	30,440,542	460,830,840	159,587,030	331,684,353	129,146,488
2017&18	612,106,000	12,517,103	599,588,897	147,091,429	465,014,571	134,574,326
2019	402,166,001	129,298,856	272,867,145	161,465,510	240,700,491	32,166,654
2020	1,265,477,354	271,880,304	993,597,050	539,674,641	725,802,715	267,794,337
2021	1,535,221,128	316,351,123	1,218,870,005	676,951,106	858,270,024	360,599,983
2022	1,607,031,734	322,610,276	1,284,421,458	664,076,332	942,955,403	341,466,056
2023	1,246,456,488	96,739,129	1,149,717,359	403,342,181	843,114,308	306,603,052
2024	859,169,192	51,332,419	807,836,773	179,712,060	679,457,133	128,379,641
9-Year Total	8,018,899,279	1,231,169,752	6,787,729,527	2,931,900,289	5,086,998,998	1,700,730,537

¹³⁸ Agency for Health Care Administration, *SB 1760 Legislative Bill Analysis* (Jan. 13, 2026) (on file with the Senate Committee on Health Policy).

The AHCA is required to calculate, analyze and publish a report by December 31, 2026, and annually thereafter. Any technology costs associated with publishing the report can be absorbed within existing resources.

The Office of Insurance Regulation (OIR) indicates the actuarial review of rates will increase due to the bill, and the OIR does not currently have the capacity to address the workload. The OIR, however, has submitted a Fiscal Year 2026-2027 Legislative Budget Request to comprehensively address capacity issues within the Division of Life and Health. Should that issue be funded, no additional resources will be needed to implement the bill.¹³⁹

VI. Technical Deficiencies:

None identified.

VII. Related Issues:

The bill's revisions to pharmacy benefit manager (PBM) statutes may be preempted relating to Medicare Part D plans and their PBMs under the federal "standards" clause, found in 42 U.S.C. § 1395w-26(b)(3), to the extent the bill seeks to regulate pharmacy reimbursement methodologies, or network parity already governed by U.S. Centers for Medicare and Medicaid Services (CMS) for such plans.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1.01, 409.962, 409.967, 626.8825, and 626.8827.

This bill creates the following sections of the Florida Statutes: 11.405 and 409.9675.

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 on March 2, 2026:

The committee substitute removes:

- The definition for "covered prescription drug";
- The changes to contract requirements between PBMs and specified essential providers; and
- The revisions to the criteria for a drug to be included in a specialty network that requires enhanced standards.

CS by Health Policy on February 11, 2026:

The CS:

¹³⁹ Email from Office of Insurance Regulation staff to Senate Appropriations Committee on Agriculture, Environment, and General Government (Feb. 25, 2026) (on file with Senate Appropriations Committee Agriculture, Environment, and General Government).

- Makes two sections of the bill that create the Joint Legislative Committee on Medicaid Oversight effective upon the bill becoming law instead of July 1, 2026.
- Provides a definition of “market rate” relating to payments made by Medicaid managed care plans.
- Makes the bill’s revisions to Medicaid’s achieved savings rebate (ASR) percentages effective January 1, 2027, instead of July 1, 2026.
- Revises the underlying bill’s definition of “affiliated manufacturer” to include a “private label distributor” as defined in 21 C.F.R. s. 207.1 and deletes from the definition an “entity which contracts with a prescription drug maker for promotion and marketing of prescription drugs.”
- Excludes a Program for the All-Inclusive Care for the Elderly (PACE) organization from the current-law definition of “pharmacy benefits plan or program.”
- Includes a definition of “covered prescription drug.”
- Amends elements that are required to be included in a contract that a pharmacy benefit manager (PBM) must offer to licensed pharmacies physically located on the physical site of specified providers, by revising provisions relating to the types of “covered prescription drugs” that are included in such a PBM contract and the settings that are included for the administration of the drugs under such contracts.
- Removes the underlying bill’s revisions relating to a pharmacy’s participation in a PBM specialty network, thereby maintaining current law.
- Removes the underlying bill’s requirement for PBMs to pay pharmacies or pharmacists a minimum dispensing fee of \$10.24 with an annual adjustment for the consumer price index for medical care.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with directory and title amendments)

Delete lines 733 - 854

and insert:

(v)~~(u)~~ "Pharmacy benefits plan or program" means a plan or program that pays for, reimburses, covers the cost of, or provides access to discounts on pharmacist services provided by one or more pharmacies to covered persons who reside in, are employed by, or receive pharmacist services from this state.

1. The term includes, but is not limited to, health



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11 maintenance organizations, health insurers, self-insured
12 employer health plans, discount card programs, and government-
13 funded health plans, including the Statewide Medicaid Managed
14 Care program established pursuant to part IV of chapter 409 and
15 the state group insurance program pursuant to part I of chapter
16 110.

17 2. The term excludes such a plan or program under s. 430.84
18 or chapter 440.

19
20 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

21 And the directory clause is amended as follows:

22 Delete lines 710 - 715
23 and insert:

24 Section 7. Present paragraphs (b) through (x) of subsection
25 (1) of section 626.8825, Florida Statutes, are redesignated as
26 paragraphs (c) through (z), respectively, a new paragraph (b) is
27 added to that subsection, and present paragraph (u) of
28 subsection (1) and

29
30 ===== T I T L E A M E N D M E N T =====

31 And the title is amended as follows:

32 Delete lines 69 - 74
33 and insert:

34 F.S.; defining the term "affiliated manufacturer";
35 revising the definition of the term "pharmacy benefits
36 plan or program"; revising requirements for contracts
37 between a pharmacy benefit manager and a participating
38 pharmacy; revising the

By the Committee on Health Policy; and Senators Brodeur, Gaetz,
Rouson, and Massullo

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1 A bill to be entitled
2 An act relating to health care coverage; amending s.
3 1.01, F.S.; defining the term "Joint Legislative
4 Committee on Medicaid Oversight"; creating s. 11.405,
5 F.S.; establishing the Joint Legislative Committee on
6 Medicaid Oversight for specified purposes; providing
7 for membership, subcommittees, and meetings of the
8 committee; specifying duties of the committee;
9 authorizing the committee to submit periodic reports
10 to the Legislature; requiring the Auditor General and
11 the Agency for Health Care Administration to enter
12 into and maintain a data sharing agreement for a
13 certain purpose by a specified date; requiring the
14 Auditor General to assist the committee by providing
15 certain staff or consulting services; requiring that
16 state agencies, political subdivisions of the state,
17 and entities contracted with state agencies give the
18 committee access to certain records, papers, and
19 documents; authorizing the committee to compel
20 testimony and evidence according to specified
21 provisions; providing for additional powers of the
22 committee; providing that certain joint rules of the
23 Legislature apply to the proceedings of the committee;
24 requiring the agency to notify the committee of
25 certain changes and provide a report containing
26 specified information to the committee; requiring the
27 agency to submit a copy of certain reports to the
28 committee; amending s. 409.962, F.S.; defining terms;
29 amending s. 409.967, F.S.; revising encounter data

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30 reporting requirements for prepaid Medicaid plans;
31 requiring the agency's analysis of such encounter data
32 to include identification of specified occurrences;
33 requiring the agency to use such analysis in setting
34 managed care plan capitation rates; requiring that
35 managed care plan contracts require any third-party
36 administrative entity contracted with the plan to
37 adhere to specified requirements; specifying
38 additional types of payments which may not be included
39 in calculating income for purposes of the achieved
40 savings rebate; requiring, rather than authorizing,
41 the agency to calculate the medical loss ratio for all
42 managed care plans under certain circumstances;
43 revising requirements for the calculation of medical
44 loss ratios; requiring the agency to report medical
45 loss ratios quarterly and annually for each managed
46 care plan to the Governor and the Legislature within a
47 specified timeframe; requiring the agency to ensure
48 oversight of affiliated entities and related parties
49 paid by managed care plans; requiring the agency to
50 examine specified records and data related to such
51 entities and parties; requiring the agency to consider
52 certain data and findings when developing managed care
53 plan capitation rates; revising the income sharing
54 ratios used to calculate the achieved savings rebate
55 beginning on a specified date; creating s. 409.9675,
56 F.S.; requiring managed care plans to report to the
57 agency and the Office of Insurance Regulation the
58 existence of and specified details relating to certain

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affiliations by a specified date and annually thereafter; requiring managed care plans to report any change in such information to the agency and the office in writing within a specified timeframe; requiring the agency to calculate, analyze, and publicly report on the agency's website an assessment of affiliated entity payment transactions in the Medicaid program and certain administrative costs by a specified date and annually thereafter; providing requirements for the assessment; amending s. 626.8825, F.S.; defining the terms "affiliated manufacturer" and "covered prescription drug"; revising the definition of the term "pharmacy benefits plan or program"; revising requirements for contracts between a pharmacy benefit manager and a pharmacy benefits plan or program and a participating pharmacy; revising the frequency of and deadlines for certain reports pharmacy benefit managers are required to submit to the office beginning on a specified date; amending s. 626.8827, F.S.; revising and specifying additional practices pharmacy benefit managers are prohibited from engaging in; amending s. 627.42392, F.S.; conforming a cross-reference; providing effective dates.

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

Section 1. Effective upon this act becoming a law, subsection (20) is added to section 1.01, Florida Statutes, to

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read:

1.01 Definitions.—In construing these statutes and each and every word, phrase, or part hereof, where the context will permit:

(20) The term "Joint Legislative Committee on Medicaid Oversight" means a committee or committees designated by joint rule of the Legislature, by the President of the Senate or the Speaker of the House of Representatives, or by agreement between the President of the Senate and the Speaker of the House of Representatives.

Section 2. Effective upon this act becoming a law, section 11.405, Florida Statutes, is created to read:

11.405 Joint Legislative Committee on Medicaid Oversight.—The Joint Legislative Committee on Medicaid Oversight is created to ensure that the state Medicaid program is operating in accordance with the Legislature's intent and to promote transparency and efficiency in government spending.

(1) MEMBERSHIP; SUBCOMMITTEES; MEETINGS.—

(a) The committee shall be composed of five members of the Senate appointed by the President of the Senate and five members of the House of Representatives appointed by the Speaker of the House of Representatives, with each member serving a 2-year term. The chair and vice chair shall each be appointed for 1-year terms, with the appointments alternating between the President of the Senate and the Speaker of the House of Representatives. The chair and vice chair may not be members of the same house of the Legislature. If both the chair and vice chair are absent at any meeting, the members present must elect a temporary chair by a majority vote.

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(b) Members shall serve without compensation but may be reimbursed for per diem and travel expenses pursuant to s. 112.061.

(c) The chair may establish subcommittees as needed to fulfill the committee's duties.

(d) The committee shall convene at least twice a year, and as often as necessary to conduct its business as required under this section. Meetings may be held through teleconference or other electronic means.

(2) COMMITTEE DUTIES.—

(a) The committee shall evaluate all aspects of the state Medicaid program related to program financing, quality of care and health outcomes, administrative functions, and operational functions to ensure that the program is providing transparency in the provision of health care plans and providers, ensuring Medicaid recipients have access to quality health care services and providing stability to the state's budget through a health care delivery system designed to contain costs.

(b) The committee shall identify and recommend policies that limit Medicaid spending growth while improving health care outcomes for Medicaid recipients. In developing its recommendations, the committee shall do all of the following:

1. Evaluate legislation for its long-term impact on the state Medicaid program.

2. Review data submitted to the Agency for Health Care Administration by the Medicaid managed care plans pursuant to statutory and contract requirements, including, but not limited to, timeliness of provider credentialing, timely payment of claims, rate of claim denials, prior authorizations for

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services, and consumer complaints.

3. Review the Medicaid managed care plans' encounter data, financial data, and audits and the data used to calculate the plans' achieved savings rebates and medical loss ratios.

4. Review data related to health outcomes of Medicaid recipients, including, but not limited to, Healthcare Effectiveness Data and Information Set measures developed by the National Committee for Quality Assurance, for each Medicaid managed care plan, each Medicaid managed care plan's performance improvement projects, and outcome data related to all quality goals included in the Medicaid managed care organization contracts to improve quality for recipients.

5. Identify any areas for improvement in statute and rule relating to the state Medicaid program.

6. Develop a plan of action for the future of the state Medicaid program.

(c) The committee may submit periodic reports, including recommendations, to the Legislature on issues related to the state Medicaid program and any affiliated programs.

(3) COOPERATION.—

(a) The Auditor General and the Agency for Health Care Administration shall enter into and maintain a data sharing agreement by July 1, 2026, to ensure the committee has full access to all data needed to fulfill its responsibilities.

(b) The Auditor General shall assist the committee in its work by providing credentialed professional staff or consulting services, including, but not limited to, an actuary not associated with the state Medicaid program or any Medicaid managed care organization who currently has a contract with the

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175 state.

176 (c) The committee, in the course of its official duties,
 177 must be given access to any relevant record, paper, or document
 178 in possession of a state agency, any political subdivision of
 179 the state, or any entity engaged in business or under contract
 180 with a state agency, and may compel the attendance and testimony
 181 of any state official or employee before the committee or secure
 182 any evidence as provided in s. 11.143. The committee may also
 183 have any other powers conferred on it by joint rules of the
 184 Senate and the House of Representatives, and any joint rules of
 185 the Senate and the House of Representatives applicable to joint
 186 legislative committees apply to the proceedings of the committee
 187 under this section.

188 (4) AGENCY REPORTS.—

189 (a) Before implementing any change to the Medicaid managed
 190 care capitation rates, the Agency for Health Care Administration
 191 shall notify the committee of the change and appear before the
 192 committee to provide a report detailing the managed care
 193 capitation rates and administrative costs built into the
 194 capitation rates. The report must include the agency's
 195 historical and projected Medicaid program expenditure and
 196 utilization trend rates by Medicaid program and service category
 197 for the rate year, an explanation of how the trend rates were
 198 calculated, and the policy decisions that were included in
 199 setting the capitation rates.

200 (b) If the Agency for Health Care Administration or any
 201 division within the agency is required by law to report to the
 202 Legislature or to any legislative committee or subcommittee on
 203 matters relating to the state Medicaid program, the agency must

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204 also submit a copy of the report to the committee.

205 Section 3. Present subsections (2) through (5), (6) through
 206 (10), and (11) through (18) of section 409.962, Florida
 207 Statutes, are redesignated as subsections (3) through (6), (8)
 208 through (12), and (14) through (21), respectively, and new
 209 subsections (2), (7), and (13) are added to that section, to
 210 read:

211 409.962 Definitions.—As used in this part, except as
 212 otherwise specifically provided, the term:

213 (2) "Affiliate," including the terms "affiliated with" and
 214 "affiliation," means a person, as construed in s. 1.01(3), who:

215 (a) Directly or indirectly, through one or more
 216 intermediaries, controls, is controlled by, or is under common
 217 control with a specified entity or person, including parent and
 218 subsidiary entities; or

219 (b) Is deemed a "related party" according to the standards
 220 adopted by the Financial Accounting Standards Board.

221 (7) "Control," including the terms "controlling,"
 222 "controlled by," and "under common control with," means the
 223 possession, direct or indirect, of the power to direct or cause
 224 the direction of the management and policies of a person,
 225 whether through the ownership or voting securities, by contract
 226 other than a commercial contract for goods or nonmanagement
 227 services, or otherwise, unless the power is the result of an
 228 official position with or corporate office held by the person.
 229 This definition applies regardless of whether such power is
 230 affirmative or negative or whether such power is actually used.
 231 Control is presumed to exist, but is not limited to, when any
 232 affiliate or person, as construed in s. 1.01(3):

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(a) Directly or indirectly owns, controls, holds the power to vote, or holds proxies representing 10 percent or more of any class of the voting securities of any other person.

(b) Shares common ownership with any person; has an investor or is a holder of an ownership interest in any person; exercises control in any manner over the election of a majority of the directors or of individuals exercising similar functions of any person; has the power to exercise controlling influence over the management of any person; or serves as a working majority of the board of directors, the managers, or the officers of a person, who is:

1. A provider or a member of a provider group or group practice as defined in s. 456.053(3) under the managed care plan; or

2. A person responsible for providing any pharmacy services, pharmaceuticals, diagnostics, care coordination, care delivery, health care services, medical equipment, administrative services, or financial services under the managed care plan.

(13) "Market rate" means the price that a willing buyer will pay and a willing seller will accept in an arm's-length transaction which is beneficial to both parties.

Section 4. Subsections (1) and (2), paragraph (h) of subsection (3), and subsection (4) of section 409.967, Florida Statutes, are amended, and subsection (5) is added to that section, to read:

409.967 Managed care plan accountability.—

(1) CONTRACT PROCUREMENT PROCESS.—Beginning with the contract procurement process initiated during the 2023 calendar

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year, the agency shall establish a 6-year contract with each managed care plan selected through the procurement process described in s. 409.966. A plan contract may not be renewed; however, the agency may extend the term of a plan contract to cover any delays during the transition to a new plan. The agency shall extend until December 31, 2024, the term of existing plan contracts awarded pursuant to the invitation to negotiate published in July 2017.

(2) CONTRACT REQUIREMENTS.—The agency shall establish such contract requirements as are necessary for the operation of the statewide managed care program. In addition to any other provisions the agency may deem necessary, the contract must require:

(a) Physician compensation.—Managed care plans are expected to coordinate care, manage chronic disease, and prevent the need for more costly services. Effective care management should enable plans to redirect available resources and increase compensation for physicians. Plans achieve this performance standard when physician payment rates equal or exceed Medicare rates for similar services. The agency may impose fines or other sanctions on a plan that fails to meet this performance standard after 2 years of continuous operation.

(b) Emergency services.—Managed care plans shall pay for services required by ss. 395.1041 and 401.45 and rendered by a noncontracted provider. The plans must comply with s. 641.3155. Reimbursement for services under this paragraph is the lesser of:

1. The provider's charges;
2. The usual and customary provider charges for similar

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services in the community where the services were provided;

3. The charge mutually agreed to by the entity and the provider within 60 days after submittal of the claim; or

4. The Medicaid rate, which, for the purposes of this paragraph, means the amount the provider would collect from the agency on a fee-for-service basis, less any amounts for the indirect costs of medical education and the direct costs of graduate medical education that are otherwise included in the agency's fee-for-service payment, as required under 42 U.S.C. s. 1396u-2(b)(2)(D). For the purpose of establishing the amounts specified in this subparagraph, the agency shall publish on its website annually, or more frequently as needed, the applicable fee-for-service fee schedules and their effective dates, less any amounts for indirect costs of medical education and direct costs of graduate medical education that are otherwise included in the agency's fee-for-service payments.

(c) Access.—

1. The agency shall establish specific standards for the number, type, and regional distribution of providers in managed care plan networks to ensure access to care for both adults and children. Each plan must maintain a regionwide network of providers in sufficient numbers to meet the access standards for specific medical services for all recipients enrolled in the plan. The exclusive use of mail-order pharmacies may not be sufficient to meet network access standards. Consistent with the standards established by the agency, provider networks may include providers located outside the region. Each plan shall establish and maintain an accurate and complete electronic database of contracted providers, including information about

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licensure or registration, locations and hours of operation, specialty credentials and other certifications, specific performance indicators, and such other information as the agency deems necessary. The database must be available online to both the agency and the public and have the capability to compare the availability of providers to network adequacy standards and to accept and display feedback from each provider's patients. Each plan shall submit quarterly reports to the agency identifying the number of enrollees assigned to each primary care provider. The agency shall conduct, or contract for, systematic and continuous testing of the provider network databases maintained by each plan to confirm accuracy, confirm that behavioral health providers are accepting enrollees, and confirm that enrollees have access to behavioral health services.

2. Each managed care plan must publish any prescribed drug formulary or preferred drug list on the plan's website in a manner that is accessible to and searchable by enrollees and providers. The plan must update the list within 24 hours after making a change. Each plan must ensure that the prior authorization process for prescribed drugs is readily accessible to health care providers, including posting appropriate contact information on its website and providing timely responses to providers. For Medicaid recipients diagnosed with hemophilia who have been prescribed anti-hemophilic-factor replacement products, the agency shall provide for those products and hemophilia overlay services through the agency's hemophilia disease management program.

3. Managed care plans, and their fiscal agents or intermediaries, must accept prior authorization requests for any

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349 service electronically.

350 4. Managed care plans serving children in the care and
 351 custody of the Department of Children and Families must maintain
 352 complete medical, dental, and behavioral health encounter
 353 information and participate in making such information available
 354 to the department or the applicable contracted community-based
 355 care lead agency for use in providing comprehensive and
 356 coordinated case management. The agency and the department shall
 357 establish an interagency agreement to provide guidance for the
 358 format, confidentiality, recipient, scope, and method of
 359 information to be made available and the deadlines for
 360 submission of the data. The scope of information available to
 361 the department shall be the data that managed care plans are
 362 required to submit to the agency. The agency shall determine the
 363 plan's compliance with standards for access to medical, dental,
 364 and behavioral health services; the use of medications; and
 365 follow-up ~~followup~~ on all medically necessary services
 366 recommended as a result of early and periodic screening,
 367 diagnosis, and treatment.

368 (d) *Quality care.*—Managed care plans shall provide, or
 369 contract for the provision of, care coordination to facilitate
 370 the appropriate delivery of behavioral health care services in
 371 the least restrictive setting with treatment and recovery
 372 capabilities that address the needs of the patient. Services
 373 shall be provided in a manner that integrates behavioral health
 374 services and primary care. Plans shall be required to achieve
 375 specific behavioral health outcome standards, established by the
 376 agency in consultation with the department.

377 (e) *Encounter data.*—The agency shall maintain and operate a

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378 Medicaid Encounter Data System to collect, process, store, and
 379 report on covered services provided to all Medicaid recipients
 380 enrolled in prepaid plans.

381 1. Each prepaid plan must comply with the agency's
 382 reporting requirements for the Medicaid Encounter Data System.
 383 Prepaid plans must submit encounter data, including data on
 384 encounters for which payment was denied and encounters for which
 385 a health care provider was reimbursed by the plan on a capitated
 386 basis, electronically in a format that complies with the Health
 387 Insurance Portability and Accountability Act provisions for
 388 electronic claims and in accordance with deadlines established
 389 by the agency. Prepaid plans must certify that the data reported
 390 is accurate and complete.

391 2. The agency is responsible for validating the data
 392 submitted by the plans. The agency shall develop methods and
 393 protocols for ongoing analysis of the encounter data that
 394 adjusts for differences in characteristics of prepaid plan
 395 enrollees to allow comparison of service utilization among plans
 396 and against expected levels of use. The analysis shall be used
 397 to identify possible cases of overspending on administrative
 398 costs, payments by plans in excess of market rates, systemic
 399 underutilization or denials of claims and inappropriate service
 400 utilization such as higher-than-expected emergency department
 401 encounters, and potential managed care plan fraud, waste, and
 402 abuse. The analysis shall provide periodic feedback to the plans
 403 and enable the agency to establish corrective action plans when
 404 necessary. One of the focus areas for the analysis shall be the
 405 use of prescription drugs. The analysis shall be used in managed
 406 care plan capitation rate-setting processes provided under this

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407 part.

408 3. The agency shall make encounter data available to those
409 plans accepting enrollees who are assigned to them from other
410 plans leaving a region.

411 4. The agency shall annually produce a report entitled
412 "Analysis of Potentially Preventable Health Care Events of
413 Florida Medicaid Enrollees." The report must include, but need
414 not be limited to, an analysis of the potentially preventable
415 hospital emergency department visits, hospital admissions, and
416 hospital readmissions that occurred during the previous state
417 fiscal year which may have been prevented with better access to
418 primary care, improved medication management, or better
419 coordination of care, reported by age, eligibility group,
420 managed care plan, and region, including conditions contributing
421 to each potentially preventable event or category of potentially
422 preventable events. The agency may include any other data or
423 analysis parameters to augment the report which it deems
424 pertinent to the analysis. The report must demonstrate trends
425 using applicable historical data. The agency shall submit the
426 report to the Governor, the President of the Senate, and the
427 Speaker of the House of Representatives by October 1, 2024, and
428 each October 1 thereafter. The agency may contract with a third-
429 party vendor to produce the report required under this
430 subparagraph.

431 (f) *Continuous improvement.*—The agency shall establish
432 specific performance standards and expected milestones or
433 timelines for improving performance over the term of the
434 contract.

435 1. Each managed care plan shall establish an internal

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436 health care quality improvement system, including enrollee
437 satisfaction and disenrollment surveys. The quality improvement
438 system must include incentives and disincentives for network
439 providers.

440 2. Each managed care plan must collect and report the
441 Healthcare Effectiveness Data and Information Set (HEDIS)
442 measures, the federal Core Set of Children's Health Care Quality
443 measures, and the federal Core Set of Adult Health Care Quality
444 Measures, as specified by the agency. Each plan must collect and
445 report the Adult Core Set behavioral health measures beginning
446 with data reports for the 2025 calendar year. Each plan must
447 stratify reported measures by age, sex, race, ethnicity, primary
448 language, and whether the enrollee received a Social Security
449 Administration determination of disability for purposes of
450 Supplemental Security Income beginning with data reports for the
451 2026 calendar year. A plan's performance on these measures must
452 be published on the plan's website in a manner that allows
453 recipients to reliably compare the performance of plans. The
454 agency shall use the measures as a tool to monitor plan
455 performance.

456 3. Each managed care plan must be accredited by the
457 National Committee for Quality Assurance, the Joint Commission,
458 or another nationally recognized accrediting body, or have
459 initiated the accreditation process, within 1 year after the
460 contract is executed. For any plan not accredited within 18
461 months after executing the contract, the agency shall suspend
462 automatic assignment under ss. 409.977 and 409.984.

463 (g) *Program integrity.*—Each managed care plan shall
464 establish program integrity functions and activities to reduce

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the incidence of fraud and abuse, including, at a minimum:

1. A provider credentialing system and ongoing provider monitoring, including maintenance of written provider credentialing policies and procedures which comply with federal and agency guidelines;

2. An effective prepayment and postpayment review process including, but not limited to, data analysis, system editing, and auditing of network providers;

3. Procedures for reporting instances of fraud and abuse pursuant to chapter 641;

4. Administrative and management arrangements or procedures, including a mandatory compliance plan, designed to prevent fraud and abuse; and

5. Designation of a program integrity compliance officer.

(h) *Grievance resolution*.—Consistent with federal law, each managed care plan shall establish and the agency shall approve an internal process for reviewing and responding to grievances from enrollees. Each plan shall submit quarterly reports on the number, description, and outcome of grievances filed by enrollees.

(i) *Penalties*.—

1. Withdrawal and enrollment reduction.—Managed care plans that reduce enrollment levels or leave a region before the end of the contract term must reimburse the agency for the cost of enrollment changes and other transition activities. If more than one plan leaves a region at the same time, costs must be shared by the departing plans proportionate to their enrollments. In addition to the payment of costs, departing provider services networks must pay a per-enrollee penalty of up to 3 months'

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payment and continue to provide services to the enrollee for 90 days or until the enrollee is enrolled in another plan, whichever occurs first. In addition to payment of costs, all other departing plans must pay a penalty of 25 percent of that portion of the minimum surplus maintained pursuant to s. 641.225(1) which is attributable to the provision of coverage to Medicaid enrollees. Plans shall provide at least 180 days' notice to the agency before withdrawing from a region. If a managed care plan leaves a region before the end of the contract term, the agency shall terminate all contracts with that plan in other regions pursuant to the termination procedures in subparagraph 3.

2. Encounter data.—If a plan fails to comply with the encounter data reporting requirements of this section for 30 days, the agency must assess a fine of \$5,000 per day for each day of noncompliance beginning on the 31st day. On the 31st day, the agency must notify the plan that the agency will initiate contract termination procedures on the 90th day unless the plan comes into compliance before that date.

3. Termination.—If the agency terminates more than one regional contract with the same managed care plan due to noncompliance with the requirements of this section, the agency shall terminate all the regional contracts held by that plan. When terminating multiple contracts, the agency must develop a plan to provide for the transition of enrollees to other plans, and phase in the terminations over a time period sufficient to ensure a smooth transition.

(j) *Prompt payment*.—Managed care plans shall comply with ss. 641.315, 641.3155, and 641.513.

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523 (k) *Electronic claims.*—Managed care plans, and their fiscal
 524 agents or intermediaries, shall accept electronic claims in
 525 compliance with federal standards.

526 (l) *Fair payment.*—Provider service networks must ensure
 527 that no entity licensed under chapter 395 with a controlling
 528 interest in the network charges a Medicaid managed care plan
 529 more than the amount paid to that provider by the provider
 530 service network for the same service.

531 (m) *Itemized payment.*—Any claims payment to a provider by a
 532 managed care plan, or by a fiscal agent or intermediary of the
 533 plan, must be accompanied by an itemized accounting of the
 534 individual claims included in the payment including, but not
 535 limited to, the enrollee's name, the date of service, the
 536 procedure code, the amount of reimbursement, and the
 537 identification of the plan on whose behalf the payment is made.

538 (n) *Provider dispute resolution.*—Disputes between a plan
 539 and a provider may be resolved as described in s. 408.7057.

540 (o) *Transparency.*—Managed care plans shall comply with ss.
 541 627.6385(3) and 641.54(7).

542 (p) *Third-party administrators.*—The agency's contract with
 543 a managed care plan must require that any third-party
 544 administrative entity contracted by the plan adheres to all
 545 pertinent requirements of the Medicaid program placed on the
 546 plan under the plan's contract with the agency.

547 (3) ACHIEVED SAVINGS REBATE.—

548 (h) The following may not be included as allowable expenses
 549 in calculating income for determining the achieved savings
 550 rebate:

551 1. Payment of achieved savings rebates.

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552 2. Any financial incentive payments made to the plan
 553 outside of the capitation rate.

554 3. Any financial disincentive payments levied by the state
 555 or Federal Government.

556 4. Expenses associated with any lobbying or political
 557 activities.

558 5. The cash value or equivalent cash value of bonuses of
 559 any type paid or awarded to the plan's executive staff, other
 560 than base salary.

561 6. Reserves and reserve accounts.

562 7. Administrative costs, including, but not limited to,
 563 reinsurance expenses, interest payments, depreciation expenses,
 564 bad debt expenses, and outstanding claims expenses in excess of
 565 actuarially sound maximum amounts set by the agency.

566 8. Payments to affiliates as defined in s. 409.962 in
 567 excess of market rates.

568 The agency shall consider these and other factors in developing
 569 contracts that establish shared savings arrangements.

571 (4) MEDICAL LOSS RATIOS ~~RATIO~~.—

572 (a) If required by federal regulations or as a condition of
 573 a waiver, the agency must ~~may~~ calculate a medical loss ratios
 574 ratio for all managed care plans contracted with the agency
 575 under this part. The calculations must ~~calculation shall~~ use
 576 uniform financial data collected from all plans and ~~shall be~~
 577 ~~computed for each plan on a statewide basis. If a plan~~
 578 participates in the managed medical assistance program, the
 579 long-term care managed care program, or the pilot program for
 580 individuals with developmental disabilities, the agency must

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581 calculate medical loss ratios for the plan's participation in
 582 each program separately and, if the plan participates in more
 583 than one of these programs, for the plan's overall participation
 584 in statewide Medicaid managed care. Medical loss ratios must be
 585 calculated and ~~The method for calculating the medical loss ratio~~
 586 ~~shall meet the following criteria:~~

587 ~~(a) Except as provided in paragraphs (b) and (c),~~
 588 expenditures must ~~shall~~ be classified in a manner consistent
 589 with 42 C.F.R. part 438 ~~45 C.F.R. part 158~~.

590 (b) The agency shall report medical loss ratios quarterly
 591 and annually for each managed care plan contracted with the
 592 agency under this part to the Governor, the President of the
 593 Senate, and the Speaker of the House of Representatives no later
 594 than 6 months after the end of each such period ~~Funds provided~~
 595 ~~by plans to graduate medical education institutions to~~
 596 ~~underwrite the costs of residency positions shall be classified~~
 597 ~~as medical expenditures, provided the funding is sufficient to~~
 598 ~~sustain the positions for the number of years necessary to~~
 599 ~~complete the residency requirements and the residency positions~~
 600 ~~funded by the plans are active providers of care to Medicaid and~~
 601 ~~uninsured patients.~~

602 ~~(c) Before final determination of the medical loss ratio~~
 603 ~~for any period, a plan may contribute to a designated state~~
 604 ~~trust fund for the purpose of supporting Medicaid and indigent~~
 605 ~~care and have the contribution counted as a medical expenditure~~
 606 ~~for the period. Funds contributed for this purpose shall be~~
 607 ~~deposited into the Grants and Donations Trust Fund.~~

608 (5) AFFILIATED ENTITIES AND RELATED PARTIES.—

609 (a) The agency shall ensure oversight of affiliated

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610 entities and related parties paid by managed care plans under
 611 this part, including, but not limited to, examining financial
 612 records and self-referral data of any managed care plan
 613 providing services within the statewide managed care program
 614 which uses affiliated entities and related parties.

615 (b) The agency shall consider data examined under paragraph
 616 (a) and the findings of the annual assessment required under s.
 617 409.9675(4) when developing managed care plan capitation rates
 618 under this part.

619 Section 5. Effective January 1, 2027, paragraph (f) of
 620 subsection (3) of section 409.967, Florida Statutes, is amended,
 621 and paragraph (g) of that subsection is republished, to read:

622 409.967 Managed care plan accountability.—

623 (3) ACHIEVED SAVINGS REBATE.—

624 (f) Achieved savings rebates validated by the certified
 625 public accountant are due within 30 days after the report is
 626 submitted. Except as provided in paragraph (h), the achieved
 627 savings rebate is established by determining pretax income as a
 628 percentage of revenues and applying the following income sharing
 629 ratios:

630 1. One hundred percent of income up to and including 3 ~~5~~
 631 percent of revenue shall be retained by the plan.

632 2. Thirty ~~Fifty~~ percent of income above 3 ~~5~~ percent and up
 633 to 10 percent shall be retained by the plan, and the other 70 ~~50~~
 634 percent shall be refunded to the state and adjusted for the
 635 Federal Medical Assistance Percentages. The state share shall be
 636 transferred to the General Revenue Fund, unallocated, and the
 637 federal share shall be transferred to the Medical Care Trust
 638 Fund, unallocated.

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3. One hundred percent of income above 10 percent of revenue shall be refunded to the state and adjusted for the Federal Medical Assistance Percentages. The state share shall be transferred to the General Revenue Fund, unallocated, and the federal share shall be transferred to the Medical Care Trust Fund, unallocated.

(g) A plan that exceeds agency-defined quality measures in the reporting period may retain an additional 1 percent of revenue. For the purpose of this paragraph, the quality measures must include plan performance for preventing or managing complex, chronic conditions that are associated with an elevated likelihood of requiring high-cost medical treatments.

Section 6. Section 409.9675, Florida Statutes, is created to read:

409.9675 Affiliated entities and controlling interests; reports required.—

(1) Each managed care plan contracted by the agency under this part shall report all of the following by March 31, 2027, for the prior calendar year, and annually thereafter, to the agency and the Office of Insurance Regulation in a manner prescribed by the agency:

(a) Any person controlled by or affiliated with the managed care plan, including, but not limited to, any provider, provider group, group practice defined in s. 456.053(3), or person responsible for providing any pharmacy services, pharmaceuticals, diagnostics, care coordination, care delivery, health care services, medical equipment, administrative services, or financial services for, to, or on behalf of the managed care plan.

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(b) Any affiliation of any kind or nature with any person which has, either directly or indirectly through one or more intermediaries, an investment or ownership interest representing 10 percent or more, shares common ownership with, or has an investor or a holder of an ownership interest representing 10 percent or more with any person providing pharmacy services, diagnostics, care coordination, care delivery, health care services, medical equipment, administrative services, or financial services for, to, or on behalf of the managed care plan.

(2) For any affiliation reported by a managed care plan under subsection (1), the report must include all of the following:

(a) The percentage of ownership or control of any person or affiliate with whom the managed care plan has had business transactions totaling in the aggregate more than \$25,000 during the prior 12-month period in the annual achieved savings rebate financial reporting required under s. 409.967(3) and identification of the specific contract or contracts involved in such business transactions.

(b) Any significant business transactions between the managed care plan and any affiliated person during the 12-month period in the annual achieved savings rebate financial reporting required under s. 409.967(3).

(3) Each managed care plan shall report any change in information required by subsection (1) to the agency and the Office of Insurance Regulation in writing within 60 days after the change occurs.

(4) By December 31, 2026, and annually thereafter, the

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697 agency shall calculate, analyze, and publicly report on the
 698 agency's website an assessment of affiliated entity payment
 699 transactions in the Medicaid program for medical benefit and
 700 administrative costs as reported for purposes of the achieved
 701 savings rebate. The baseline assessment, at a minimum, must
 702 include achieved savings rebate transactions for the years 2021,
 703 2022, and 2023; the amount and associated percentage of
 704 affiliated entity payments within the medical loss ratio; and
 705 the payment deviation percentages and associated amounts at the
 706 Healthcare Common Procedure Coding System level for affiliated
 707 entities as compared to nonaffiliated entities. The assessment
 708 must also compare payment amounts for value-based or alternative
 709 payment arrangements.

710 Section 7. Present paragraphs (b), (c), and (d), and (e)
 711 through (x) of subsection (1) of section 626.8825, Florida
 712 Statutes, are redesignated as paragraphs (c), (d), and (e), and
 713 (g) through (z), respectively, new paragraphs (b) and (f) are
 714 added to that subsection, and present paragraph (u) of
 715 subsection (1), paragraphs (e) and (g) of subsection (2), and
 716 paragraphs (c) and (h) of subsection (3) of that section are
 717 amended, to read:

718 626.8825 Pharmacy benefit manager transparency and
 719 accountability.—

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

721 (b) "Affiliated manufacturer" means a prescription drug
 722 manufacturer permitted under chapter 499 or a private label
 723 distributor as defined in 21 C.F.R. s. 207.1 which directly or
 724 indirectly through one or more intermediaries:

725 1. Has an investment or ownership interest in a pharmacy

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726 benefit manager holding a certificate of authority issued under
 727 this part;

728 2. Shares common ownership with a pharmacy benefit manager
 729 holding a certificate of authority issued under this part; or

730 3. Has an investor or a holder of an ownership interest
 731 which is a pharmacy benefit manager holding a certificate of
 732 authority issued under this part.

733 (f) "Covered prescription drug" means any drug or biologic
 734 included in a pharmacy benefit manager's formulary which is paid
 735 for as a pharmacy benefit under the plan at any of the plan's
 736 network pharmacies.

737 (w) ~~(u)~~ "Pharmacy benefits plan or program" means a plan or
 738 program that pays for, reimburses, covers the cost of, or
 739 provides access to discounts on pharmacist services provided by
 740 one or more pharmacies to covered persons who reside in, are
 741 employed by, or receive pharmacist services from this state.

742 1. The term includes, but is not limited to, health
 743 maintenance organizations, health insurers, self-insured
 744 employer health plans, discount card programs, and government-
 745 funded health plans, including the Statewide Medicaid Managed
 746 Care program established pursuant to part IV of chapter 409 and
 747 the state group insurance program pursuant to part I of chapter
 748 110.

749 2. The term excludes such a plan or program under s. 430.84
 750 or chapter 440.

751 (2) CONTRACTS BETWEEN A PHARMACY BENEFIT MANAGER AND A
 752 PHARMACY BENEFITS PLAN OR PROGRAM.—In addition to any other
 753 requirements in the Florida Insurance Code, all contractual
 754 arrangements executed, amended, adjusted, or renewed on or after

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July 1, 2023, which are applicable to pharmacy benefits covered on or after January 1, 2024, between a pharmacy benefit manager and a pharmacy benefits plan or program must include, in substantial form, terms that ensure compliance with all of the following requirements and that, except to the extent not allowed by law, shall supersede any contractual terms to the contrary:

(e) Include network adequacy requirements that meet or exceed Medicare Part D program standards for convenient access to the network pharmacies set forth in 42 C.F.R. s. 423.120(a)(1) and that:

1. Do not limit a network to solely include affiliated pharmacies;

2. Require a pharmacy benefit manager to offer a provider contract to licensed pharmacies physically located on the physical site of providers that are:

a. Within the pharmacy benefits plan's or program's geographic service area and that have been specifically designated as essential providers by the Agency for Health Care Administration pursuant to s. 409.975(1)(a);

b. Designated as cancer centers of excellence under s. 381.925, regardless of the pharmacy benefits plan's or program's geographic service area;

c. Organ transplant hospitals, regardless of the pharmacy benefits plan's or program's geographic service area;

d. Hospitals licensed as specialty children's hospitals as defined in s. 395.002; or

e. Regional perinatal intensive care centers as defined in s. 383.16(2), regardless of the pharmacy benefits plan's or

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program's geographic service area.

Such provider contracts must be solely for the administration ~~and~~ or dispensing of covered prescription drugs, ~~including biological products, which are administered through infusions, intravenously injected, or inhaled during a surgical procedure~~ or are covered parenteral drugs, as part of ~~onsite~~ outpatient care;

3. Do not require a covered person to receive a prescription drug by United States mail, common carrier, local courier, third-party company or delivery service, or pharmacy direct delivery unless the prescription drug cannot be acquired at any retail pharmacy in the pharmacy benefit manager's network for the covered person's pharmacy benefits plan or program. This subparagraph does not prohibit a pharmacy benefit manager from operating mail order or delivery programs on an opt-in basis at the sole discretion of a covered person, provided that the covered person is not penalized through the imposition of any additional retail cost-sharing obligations or a lower allowed-quantity limit for choosing not to select the mail order or delivery programs;

4. For the in-person administration of covered prescription drugs, prohibit requiring a covered person to receive pharmacist services from an affiliated pharmacy or an affiliated health care provider; and

5. Prohibit offering or implementing pharmacy networks that require or provide a promotional item or an incentive, defined as anything other than a reduced cost-sharing amount or enhanced quantity limit allowed under the benefit design for a covered

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813 drug, to a covered person to use an affiliated pharmacy or an
 814 affiliated health care provider for the in-person administration
 815 of covered prescription drugs; or advertising, marketing, or
 816 promoting an affiliated pharmacy to covered persons. Subject to
 817 the foregoing, a pharmacy benefit manager may include an
 818 affiliated pharmacy in communications to covered persons
 819 regarding network pharmacies and prices, provided that the
 820 pharmacy benefit manager includes information, such as links to
 821 all nonaffiliated network pharmacies, in such communications and
 822 that the information provided is accurate and of equal
 823 prominence. This subparagraph may not be construed to prohibit a
 824 pharmacy benefit manager from entering into an agreement with an
 825 affiliated pharmacy to provide pharmacist services to covered
 826 persons.

827 (g) Prohibit a pharmacy benefit manager from instituting a
 828 network that requires a pharmacy to meet accreditation standards
 829 inconsistent with or more stringent than applicable federal and
 830 state requirements for licensure and operation as a pharmacy in
 831 this state. However, a pharmacy benefit manager may specify
 832 additional specialty networks that require enhanced standards
 833 related to the safety and competency necessary to meet the
 834 United States Food and Drug Administration's limited
 835 distribution requirements for dispensing any drug that, on a
 836 drug-by-drug basis, requires extraordinary special handling,
 837 ~~provider coordination, or clinical care or monitoring~~ when such
 838 extraordinary requirements cannot be met by a retail pharmacy.
 839 For purposes of this paragraph, drugs requiring extraordinary
 840 special handling are limited to drugs that are subject to a risk
 841 evaluation and mitigation strategy approved by the United States

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842 Food and Drug Administration and that:

- 843 1. Require special certification of a health care provider
- 844 to prescribe, receive, dispense, or administer; or
- 845 2. Require special handling due to the molecular complexity
- 846 or cytotoxic properties of the biologic or biosimilar product or
- 847 drug.

848
 849 For participation in a specialty network, a pharmacy benefit
 850 manager may not require a pharmacy to meet requirements for
 851 participation beyond those necessary to demonstrate the
 852 pharmacy's ability to dispense the drug in accordance with the
 853 United States Food and Drug Administration's approved
 854 manufacturer labeling.

855 (3) CONTRACTS BETWEEN A PHARMACY BENEFIT MANAGER AND A
 856 PARTICIPATING PHARMACY.—In addition to other requirements in the
 857 Florida Insurance Code, a participation contract executed,
 858 amended, adjusted, or renewed on or after July 1, 2023, that
 859 applies to pharmacist services on or after January 1, 2024,
 860 between a pharmacy benefit manager and one or more pharmacies or
 861 pharmacists, must include, in substantial form, terms that
 862 ensure compliance with all of the following requirements, and
 863 that, except to the extent not allowed by law, shall supersede
 864 any contractual terms in the participation contract to the
 865 contrary:

866 (c) A prohibition of financial clawbacks, reconciliation
 867 offsets, or offsets to adjudicated claims. A pharmacy benefit
 868 manager may not charge, withhold, offset, or recoup any direct
 869 or indirect remuneration fees, dispensing fees, brand name or
 870 generic effective rate adjustments through reconciliation, or

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any other monetary charge, withholding, or recoupments as related to discounts, multiple network reconciliation offsets, adjudication transaction fees, and any other instance when an amount ~~a fee~~ may be recouped from a pharmacy if such action would result in a reduction in the amount paid to the pharmacy or pharmacist. This prohibition does not apply to:

1. Any incentive payments provided by the pharmacy benefit manager to a network pharmacy for meeting or exceeding predefined quality measures, such as Healthcare Effectiveness Data and Information Set measures; recoupment due to an erroneous claim, fraud, waste, or abuse; a claim adjudicated in error; a maximum allowable cost appeal pricing adjustment; or an adjustment made as part of a pharmacy audit pursuant to s. 624.491.

2. Any recoupment that is returned to the state for programs in chapter 409 or the state group insurance program in s. 110.123.

(h) The pharmacy benefit manager shall provide a reasonable administrative appeal procedure to allow a pharmacy or pharmacist to challenge the maximum allowable cost pricing information and the reimbursement made under the maximum allowable cost as defined in s. 627.64741 for a specific drug as being below the acquisition cost available to the challenging pharmacy or pharmacist.

1. The administrative appeal procedure must include a telephone number and e-mail address, or a website, for the purpose of submitting the administrative appeal. The appeal may be submitted by the pharmacy or an agent of the pharmacy directly to the pharmacy benefit manager or through a pharmacy

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service administration organization. The administrative appeal process must allow a pharmacy or pharmacist the option to submit an electronic spreadsheet or similar electronic document containing a consolidated administrative appeal representing multiple adjudicated claims that share the same drug and day supply and have a date of service occurring within the same calendar month. The pharmacy or pharmacist must be given at least 30 business days after a maximum allowable cost update or after an adjudication for an electronic claim or reimbursement for a nonelectronic claim to file the administrative appeal.

2. The pharmacy benefit manager must respond to the administrative appeal within 30 business days after receipt of the appeal.

3. If the appeal is upheld, the pharmacy benefit manager must:

a. Update the maximum allowable cost pricing information to at least the acquisition cost available to the pharmacy;

b. Permit the pharmacy or pharmacist to reverse and rebill the claim in question;

c. Provide to the pharmacy or pharmacist the national drug code on which the increase or change is based; and

d. Make the increase or change effective for each similarly situated pharmacy or pharmacist who is subject to the applicable maximum allowable cost pricing information.

4. If the appeal is denied, the pharmacy benefit manager must provide to the pharmacy or pharmacist the national drug code and the name of the national or regional pharmaceutical wholesalers operating in this state which have the drug currently in stock at a price below the maximum allowable cost

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pricing information.

5. Beginning August 15, 2026 ~~Every 90 days~~, a pharmacy benefit manager shall report to the office the total number of appeals received and denied in the preceding quarter ~~90-day period~~, with an explanation or reason for each denial, for each specific drug for which an appeal was submitted pursuant to this paragraph. The deadlines for each filing are March 1 for the preceding year's fourth quarter; May 15 for each year's first quarter; August 15 for each year's second quarter; and November 15 for each year's third quarter.

Section 8. Subsection (7) of section 626.8827, Florida Statutes, is amended, and subsections (8), (9), and (10) are added to that section, to read:

626.8827 Pharmacy benefit manager prohibited practices.—In addition to other prohibitions in this part, a pharmacy benefit manager may not do any of the following:

(7) Fail to comply with the requirements in s. 624.491 or s. 626.8825, or breach contractual terms required under s. 626.8825.

(8) Prohibit or restrict a pharmacy from declining to dispense a drug if the reimbursement rate for the drug is less than the actual acquisition cost to the pharmacy.

(9) Reimburse a pharmacy less than it reimburses an affiliate pharmacy.

(10) Maintain an ownership interest, investment interest, or common ownership with an affiliated manufacturer, or share any investor or holder of an ownership interest with an affiliated manufacturer.

Section 9. Subsection (1) of section 627.42392, Florida

Page 33 of 34

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

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Statutes, is amended to read:

627.42392 Prior authorization.—

(1) As used in this section, the term "health insurer" means an authorized insurer offering health insurance as defined in s. 624.603, a managed care plan as defined in s. 409.962 ~~s. 409.962(10)~~, or a health maintenance organization as defined in s. 641.19(12).

Section 10. Except as otherwise provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2026.

Page 34 of 34

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

3/2/20

Meeting Date

The Florida Senate
APPEARANCE RECORD

Deliver both copies of this form to
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SB 1760

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

DAVID MICA, Jr

Phone

Address

Street

Email

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

FL Hospital Assoc.

☐

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

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

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

5-001 (08/10/2021)

March 2, 2026

Meeting Date

Senate Appropriations

Committee

The Florida Senate

APPEARANCE RECORD

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SB 1760

Bill Number or Topic

Amendment Barcode (if applicable)

Name **Niklas Kleinworth**

Phone **208-964-6860**

Address **P.O. Box 3612**

Email **nkleinworth@paragoninstitute.org**

Street

Arlington

City

VA

State

22203

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:

Paragon Health Institute

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)

3/2/26

Meeting Date

The Florida Senate
APPEARANCE RECORD

1760

Bill Number or Topic

Appropriations

Committee

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

Name

Michael Centenz

Phone

Address

Street

Email

City

State

Zip

Speaking:

☐ For



☐ 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:

Pharmaceutical Care
Management Association (PCMA)



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

Deliver both copies of this form to
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3/2/26

Meeting Date

1760

Bill Number or Topic

Approps

Committee

259076

Amendment Barcode (if applicable)

Name

Mackenna Davis

Phone

863-608-6658

STE 215

Address

300 W. pensacola St.

Email

Mdavis@convergepublic.com

Street

Tallahassee

City

FL

State

32301

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:

U.S. Oncology



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

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 7046

INTRODUCER: Appropriations Committee and Finance and Tax Committee

SUBJECT: Taxation

DATE: March 4, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
	<u>Khan</u>	<u>Khan</u>		FT Submitted as Comm. Bill/Fav
1.	<u>Khan</u>	<u>Sadberry</u>	<u>AP</u>	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 7046:

- Makes the following changes to property taxes:
 - For the Live Local exemption opt-out, requires a taxing authority to make a finding that Shimberg's annual reports for each of the 3 previous years identify a surplus of affordable housing rather than 1 report.
 - For the Live Local exemption opt-out, provides that an exemption may be granted to a certain projects that was issued a building permit on or after July 1, 2026, that was within 4 years before a taxing authority opted out may apply for and be granted the exemption. The owner may continue receiving the exemption for each subsequent consecutive year that the same owner or successive owners apply for and are granted the exemption.
 - For the Live Local exemption opt-out, provides that an opt-out ordinance adopted before July 1, 2026, is valid until its expiration.
 - Revises the distribution of school taxes collected from a voter approved property tax levy by removing a reference which excludes certain charter schools.
 - Relating to the property tax homestead exemption, provides that the transfer of homestead property to a lineal descendant is not a change in ownership under certain conditions.
 - Requires real estate listing platforms to post estimated property taxes.
 - Provides that the amount of a property tax homestead exemption that a surviving spouse may transfer to a new residence may increase up to 120 percent of the exemption.
 - Adds additional named military operations to the current list in statute for the property tax exemption for certain deployed servicemembers.

- Provides an exemption from the Redevelopment Trust Fund for special districts that levy ad valorem taxes on real property predominantly to fund children's services.
- Requires value adjustment boards to meet to hear appeals relating to the timely filing of tax returns for tangible personal property.
- Makes the following changes to local taxes and assessments:
 - Prohibits counties, municipalities, and special districts from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.
- Regarding fiscally constrained counties:
 - Amends the criteria for being designated as a fiscally constrained county.
 - Changes the revenue source for the fiscally constrained counties distribution from the direct-to-home satellite service tax to sales tax.
 - Provides to fiscally constrained counties a distribution from sales tax in an amount equal to no less than \$50 million each fiscal year.
 - Makes several changes to the fiscally constrained counties' distribution, including changing distribution factors for allocating revenue among counties and creating spending requirements.
- Makes the following changes to sales and use tax:
 - Permanently exempts liquified petroleum gas tanks with a capacity of 20 pounds or less.
 - Provides a sales tax holiday for hunting, fishing, and camping items. The items include ammunition, firearms, bows, crossbows, and certain accessories for firearms, bows and crossbows. Items also include certain fishing and camping supplies. The holiday is approximately 3.5 months from September 7, 2026, through December 31, 2026.
 - Exempts admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament for 3 years.
 - Creates a refund mechanism for state universities for tangible personal property purchases made by state university contractors when such property goes into or becomes part of public works owned by the state university.

Other changes made by the bill include:

- Prohibits governmental entities from adopting or requiring the adoption of net-zero policies; expending government funds to support, implement, or advance net-zero policies; and imposing taxes, fees, penalties, charges, offsets, or assessments to advance net-zero policies.
- Requires taxing authorities that have not levied any millage rate in the prior year to adopt a rate either by a unanimous vote of the membership of the governing body, or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.
- Provides a tax framework for electricity that is sold by electrical vehicle charging stations. The framework specifies which sales tax and gross receipts rates apply to transactions between a utility and the charging station and also to transactions between the charging station and the consumer. Also provides processes and requirements for collecting and remitting such taxes.
- Increases the value of the Rural Community Investment Program credit from 25% of the investor's contribution to 50%.

- Provides that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of the refund only if the interest claim is asserted concurrently with the action.
- Specifies that the 60-day period to contest an assessment or a denial that becomes final may not be waived or tolled.
- Provides emergency rulemaking authority for the Department of Revenue and the Department of Commerce.

The bill is estimated by staff to reduce revenues in total by \$80.1 million, which is the sum of \$8.1 million (recurring) and \$72.0 million (pure nonrecurring in Fiscal Year 2026-2027 and reductions resulting from nonrecurring impacts in other years). See Section V., Fiscal Impact Statement for more information.

Except as otherwise provided, the bill takes effect July 1, 2026.

II. Present Situation:

General Overview of Property Taxation

The ad valorem tax or “property tax” is an annual tax levied by counties, municipalities, school districts, and some special districts. The tax is based on the taxable value of a property as of January 1 of each year.¹ The property appraiser annually determines the “just value”² of property within the taxing authority and then applies relevant exclusions, assessment limitations, and exemptions to determine the property’s “taxable value.”³ The state constitution prohibits the state from levying ad valorem taxes⁴ and it limits the Legislature’s authority to provide for property valuations at less than just value, unless expressly authorized.⁵

Homestead Exemptions

The state constitution establishes homestead protections for certain residential real estate in three distinct ways. First, it provides homesteads, property owned and maintained as a person’s primary residence, with an exemption from taxes⁶ and an assessment limitation.⁷ Second, the homestead provisions protect the homestead from forced sale by creditors.⁸ Third, the homestead

¹ Both real property and tangible personal property are subject to tax. Section 192.001(12), F.S., defines “real property” as land, buildings, fixtures, and all other improvements to land. Section 192.001(11)(d), F.S., defines “tangible personal property” as all goods, chattels, and other articles of value capable of manual possession and whose chief value is intrinsic to the article itself.

² Property must be valued at “just value” for purposes of property taxation, unless the Florida Constitution provides otherwise. FLA. CONST. art. VII, s. 4. Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm’s-length transaction. *See, e.g., Walter v. Schuler*, 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey*, 336 So. 2d 1163 (Fla. 1976); *S. Bell Tel. & Tel. Co. v. Dade Cnty.*, 275 So. 2d 4 (Fla. 1973).

³ *See* ss. 192.001(2) and (16), F.S.

⁴ FLA. CONST. art. VII, s. 1(a).

⁵ *See* FLA. CONST. art. VII, s. 4.

⁶ FLA. CONST. art. VII, s. 6.

⁷ *See* FLA. CONST. art. VII, s. 4(d)

⁸ FLA. CONST. art. X, s. 4.

provisions outline restrictions a homestead owner faces when attempting to alienate or devise the homestead property.⁹

Every person having legal or equitable title to real estate and who maintains a permanent residence on the real estate is eligible for a \$25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts.¹⁰ An additional \$25,000 exemption applies to the assessed valuation of homestead property between \$50,000 and \$75,000. This exemption is adjusted annually for inflation and does not apply to ad valorem taxes levied by school districts.¹¹

General Overview of Sales and Use Tax

Florida levies a 6 percent tax on the sale or rental of most items of tangible personal property,¹² admissions,¹³ transient rentals,¹⁴ and a limited number of services. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.¹⁵

The governing body of a county and school boards are authorized to levy local discretionary sales surtaxes in addition to the state sales tax.¹⁶ A surtax applies to “all transactions ... subject to the state tax ... on sales, use, services, rentals, admissions, and other transactions”¹⁷ In counties with discretionary sales surtaxes, the combined county and school board rates vary from 0.5 to 2 percent.¹⁸ Two counties, Citrus and Collier, have no discretionary sales surtax levies.

Specific current law discussion related to provisions of the bill are provided in Section III. Effect of Proposed Changes

III. Effect of Proposed Changes:

Sections 1 and 2 – Interest on Refunds and Period to Contest an Assessment

Present Situation

A taxpayer may contest the legality of any assessment or denial of refund of tax, fee, surcharge, permit, interest, or penalty as provided for in s. 72.011(1)(a), F.S., by filing an action in circuit court. Alternatively, the taxpayer may file a petition under the applicable provisions of chapter 120 (the Administrative Procedure Act).¹⁹

A taxpayer may not file an action to contest an assessment or a denial of refund of any tax, fee, surcharge, permit, interest, or penalty relating to those listed in s. 72.011(1)(a), F.S., until the

⁹ *Id.* at (c).

¹⁰ FLA. CONST. art VII, s. 6(a); s. 196.031, F.S.

¹¹ FLA. CONST. art VII, s. 6(a); s. 196.031(1)(b), F.S.

¹² Section 212.05(1)(a)1.a., F.S.

¹³ Section 212.04(1)(b), F.S.

¹⁴ Section 212.03(1)(a), F.S.

¹⁵ Section 212.07(2), F.S.

¹⁶ Section 212.055, F.S.

¹⁷ Section 212.054(2)(a), F.S.

¹⁸ FLA. DEPT. OF REVENUE, *Discretionary Sales Surtax Information for Calendar Year 2026*, available at https://floridarevenue.com/Pages/forms_index.aspx#discretionary, see DR-15DSS New for 2026, (last visited Feb. 21, 2026).

¹⁹ Section 72.011(1)(a), F.S.

taxpayer complies with the applicable registration requirements which apply to the tax for which the action is filed.²⁰

An action may not be brought to contest an assessment of any tax, interest, or penalty assessed under a section or chapter specified s. 72.011(1), F.S., more than 60 days after the date the assessment becomes final. An action may not be brought to contest a denial of refund of any tax, interest, or penalty paid under a section or chapter specified in s. 72.011(1), F.S., more than 60 days after the date the denial becomes final.²¹

The date on which an assessment or a denial of refund becomes final and procedures by which a taxpayer must be notified of the assessment or of the denial of refund must be established:

- By rule adopted by the Department of Revenue;
- With respect to assessments or refund denials under chapter 207, F.S., by rule adopted by the Department of Highway Safety and Motor Vehicles;
- With respect to assessments or refund denials under chapters 210, 550, 561, 562, 563, 564, and 565, F.S., by rule adopted by the Department of Business and Professional Regulation; or
- With respect to taxes that a county collects or enforces under s. 125.0104(10), F.S., or s. 212.0305(5), F.S., by an ordinance that may additionally provide for informal dispute resolution procedures in accordance with s. 213.21, F.S.²²

The applicable department or county need not file or docket an assessment or a refund denial with the agency clerk or county official designated by ordinance in order for the assessment or refund denial to become final for purposes of an action initiated under chapter 72 or chapter 120 Florida Statutes.²³

The requirements of s. 72.011 (1), (2), and (3), F.S., are jurisdictional.²⁴

Proposed Changes

Section 1 creates s. 72.011(1)(c), F.S., providing that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of refund of any tax, fee, surcharge, permit, interest, or penalty only if such claim is asserted concurrently with the action. Additionally, the bill also amends s. 72.011(2)(a), F.S., to provide that the 60-day period to contest an assessment or a denial that becomes final may not be waived or tolled.

Section 2 provides that the changes to s. 72.011, F.S., are remedial and clarifying in nature and also apply to actions pending as of the effective date of this section.

These sections take effect upon this act becoming a law.

²⁰ Section 72.011(1)(b), F.S.

²¹ Section 72.011(2)(a), F.S.

²² Section 72.011(2)(b), F.S.

²³ Section 72.011(2)(c), F.S.

²⁴ Section 72.011(5), F.S.

Sections 3, 5, 6 and 7 – Limitation on Non-ad Valorem Assessments at Recreational Vehicle Parks

Present Situation

Special Assessments

The Florida Constitution provides local governments with expansive home rule powers.²⁵ Given these powers, local governments may impose proprietary fees, regulatory fees, and special assessments to pay the cost of providing a facility or service or regulating an activity.²⁶ The validity of these fees and assessments depends on requirements established in Florida case law.²⁷

Counties and municipalities utilize special assessments as a home rule revenue source to fund certain services and to construct and maintain capital facilities. Section 125.01(1)(r), F.S., authorizes the levy of special assessments by county governments. Chapter 170, F.S., authorizes the levy of special assessments by municipal governments. Section 125.271, F.S., authorizes the levy of special assessments by certain counties for emergency medical services. Special districts derive their authority to levy special assessments through general law or the special act creating the district.²⁸

While similar to taxes, legally imposed special assessments are not taxes. As stated by the Florida Supreme Court:

Taxes and special assessments are distinguishable in that, while both are mandatory, there is no requirement that taxes provide any specific benefit to the property; instead, they may be levied throughout the particular taxing unit for the general benefit of residents and property. On the other hand, special assessments must confer a specific benefit upon the land burdened by the assessment.²⁹

As established by case law, a special assessment must meet two requirements to be validly imposed: First, the property assessed must derive a special benefit from the improvement or service provided; and second, the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.³⁰

In determining whether a special benefit is conferred on property by the special assessment, the test to be applied is whether there is a “logical relationship” between the services provided and the benefit to real property.³¹ Many assessed services and improvements have been upheld as

²⁵ FLA. CONST. art. VIII; *See also* ss. 125.01(2) and 166.021(4), F.S.

²⁶ *Collier County v. State*, 733 So. 2d 1012, 1014 (Fla. 1999)

²⁷ *See* OFF. OF ECON. AND DEMOGRAPHIC RSCH., *2025 Local Government Financial Information Handbook*, pgs. 9-18 (February 2026), available at <https://edr.state.fl.us/Content/local-government/reports/index.cfm#local-government> (last visited Feb. 21, 2026).

²⁸ *See id.* For example, s. 153.73, F.S., authorizes levies by county water and sewer districts; s. 163.514, F.S., authorizes levies by neighborhood improvement districts; s. 190.021, F.S., authorizes levies by community development districts; and s. 191.009, F.S., authorizes levies by independent special fire control districts.

²⁹ *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992).

³⁰ *Id.*

³¹ *Whisnant v. Stringfellow*, 50 So. 2d 885, 886 (Fla. 1951) (citing *Crowder v. Phillips*, 1 So. 2d 629, 631 (Fla. 1941)).

providing the requisite special benefit. Such services and improvements include solid waste disposal,³² fire protection,³³ and stormwater management services.³⁴ Special assessments for emergency medical services, however, have been held invalid because they do not confer a special benefit to the property.³⁵

While the special assessment must be fairly and reasonably apportioned, the methodology for apportioning the amount may vary. Front foot³⁶ or square foot³⁷ methodologies may be traditional, but other methods are permissible, such as the market value method.³⁸ The Florida Supreme Court has explained that “[t]he manner of the assessment is immaterial and may vary within the district, as long as the amount of the assessment for each tract is not in excess of the proportional benefits as compared to other assessments on other tracts.”³⁹ An apportionment is considered reasonable unless it “so transcend[s] the limits of equality and reason that its exaction would cease to be a tax or contribution, and become[s] extortion and confiscation” of the assessed property.⁴⁰

Special assessments may be collected on an annual ad valorem tax bill. Under this collection procedure, the special assessment is characterized as a “non-ad valorem assessment.”⁴¹

Recreational Vehicle Parks

Chapter 513, F.S., provides the regulatory requirements governing RV parks. This chapter also contains standards and requirements for operators of these types of recreational facilities. The Department of Health (DOH) is the agency that is responsible for administering and enforcing all laws and rules relating to sanitation, control of communicable diseases, illnesses and hazards to health, and permitting and operational matters related to RV parks.⁴²

Section 513.01(11), F.S., defines a “recreational vehicle park” as:

[A] place set aside and offered by a person, for either direct or indirect remuneration of the owner, lessor, or operator of such place, for the parking, accommodation, or rental of five or more recreational vehicles or tents; and the term also includes buildings and sites set aside for group camping and similar recreational facilities. For the purposes of this chapter, the terms “campground,” “camping resort,” “RV resort,” “travel resort,” and “travel park,” or any variations of these terms, are synonymous with the term “recreational vehicle park.”

³² *Harris v. Wilson*, 693 So. 2d 945 (Fla 1997).

³³ *S. Trail Fire Control Dist. v. State*, 273 So. 2d 380 (Fla. 1973).

³⁴ *Sarasota Cnty. v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995).

³⁵ *City of North Lauderdale v. SMM Properties, Inc.*, 825 So. 2d 343 (Fla. 2002).

³⁶ *See Atlantic Coast Line R.R. v. City of Winter Haven*, 151 So. 321, 324 (Fla. 1933).

³⁷ *See Meyer v. City of Oakland Park*, 219 So. 2d 417 (Fla. 1969).

³⁸ *See City of Boca Raton v. State*, 595 So. 2d 25, 31 (Fla. 1992); *see also City of Naples v. Moon*, 269 So. 2d 355 (Fla. 1972) (upholding the market value method).

³⁹ *City of Boca Raton*, 595 So. 2d at 31 (quoting *S. Trail Fire Control Dist. v. State*, 273 So. 2d 380, 384 (Fla. 1973)).

⁴⁰ *Atlantic Coast Line R.R.* at 324.

⁴¹ Section 197.3632, F.S.

⁴² Section 513.012, F.S.

Recreational vehicle parks are similar to hotels in many respects. Like hotels, these parks offer lodging accommodations to the public. Recreational vehicle park operators own the accommodations or a portion thereof and allow transient guests to purchase a revocable license to enter and remain on the property. The real difference between hotels and recreational parks is the nature of the facilities provided.

Dimensions of Recreational Vehicle Sites

Under s. 513.1115, F.S., the separation distances between RV sites within an RV park and the setback distances from the exterior property boundary must all remain the same as those established at the time of initial approval of the RV park by DOH and the local government. Pursuant to DOH rule 64E-15.002, F.A.C., an RV park must be planned to accommodate the designated number of RV spaces as well as space for parking, loading, and maneuvering RVs without requiring the use of sidewalks, rights-of-way, or any private ground outside of the park. The rule also requires that each RV space contain a minimum of 1200 square feet, each tent space contain a minimum of 500 square feet, and that the density not exceed 25 RVs per acre.

Special Assessments on Recreational Vehicle Parks

Sections 125.0168, 166.223 and 189.052, F.S., provide that special assessments on recreational vehicle parks levied by counties, municipalities, and special districts, respectively, may not be based on the assertion that the recreational vehicle park is comprised of residential units. Instead, they must be assessed as a commercial entity in the same manner as a hotel, motel, or other similar facility.⁴³ As an example, Osceola County imposed special assessments for Fiscal Year 2025 for fire rescue on RV parks on a per unit basis, grouping RV parks with short term rentals, hotels, motels, and timeshare units.⁴⁴

Litigation Related to Special Assessments on Recreational Vehicle Parks

The proper apportionment of special assessments for recreational vehicle parks is the subject of several current circuit court lawsuits filed in Florida's fifth judicial circuit in Sumter County.⁴⁵ In November of 2024, these cases were consolidated, but litigation is ongoing.⁴⁶

Proposed Changes

Sections 3, 5, and 6 amends sections 125.0168, 166.223, and 189.052, F.S., to prohibit counties, municipalities, and special districts from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.

⁴³ Sections 125.0168, 166.223 and 189.052, F.S.

⁴⁴ Osceola County, Resolution No. 24-151R (2024); *see* Osceola County, *Fire Rescue Assessments*, available at https://www.osceola.org/files/assets/county/v/1/doing-business/building-amp-permits/documents/impact-and-mobility-fees-office/2024-10-21_serviceassessments-fy2024-2025-accessible.pdf (last visited Feb. 21, 2026).

⁴⁵ *MRVZ Park Investors 2, LLC v. Sumter Cnty.*, No. 2024-CA-00404 (Fla. Sumter Cnty. Ct.); *NHC-FL124, LLC v. Sumter Cnty.*, No. 2024-CA000405 (Fla. Sumter Cnty. Ct.), and *FL RV Village Wildwood, LLC v. Sumter Cnty.*, No. 2024-CA-00407 (Fla. Sumter Cnty. Ct.).

⁴⁶ *FL RV Village Wildwood LLC v. Sumter Cnty.*, Nos. 2024-CA-407, 2024-CA-405, 2024-CA-404 (Fla. Sumter Cnty. Ct. Nov. 19, 2024) (amended agreed order on defendant Sumter County's motions to consolidate cases).

Section 7 specifies that the changes made to sections 125.0168, 166.223, and 189.052, F.S., first apply to the 2026 assessment roll and take effect upon becoming a law.

Section 4 – Tax Increment Financing Exemption for Children’s Councils

Present Situation

Children’s Services Independent Special Districts

Counties can create independent special districts that provide funding for children’s services throughout the county.⁴⁷ The governing body of the district shall be a council on children’s services, which may also be known as a juvenile welfare board or similar name as established in the ordinance by the county governing body.⁴⁸ The county governing body must obtain approval, by a majority vote of those electors voting on the question, to levy ad valorem taxes to fund children’s services. The levy may not exceed 0.5 mills.⁴⁹ Tax money collected under s. 125.901, F.S., as soon after the collection thereof as is reasonably practicable, shall be paid directly to the council on children’s services by the tax collector of the county, or the clerk of the circuit court if the clerk collects delinquent taxes.⁵⁰

The following counties currently have councils on children’s services: Alachua, Broward, Escambia, Hillsborough, Leon, Martin, Miami-Dade, Okeechobee, Palm Beach, and St. Lucie.⁵¹

Community Redevelopment Agency

A community redevelopment agency (CRA) is a public agency created by, or designated pursuant to, s. 163.356, F.S., or s. 163.357 F.S. A CRA is responsible for undertakings, activities, or projects in a community redevelopment area for the elimination and prevention of the development or spread of slums and blight, or for the reduction or prevention of crime, or for the provision of affordable housing in accordance with a community redevelopment plan and may include the preparation of such a plan.⁵²

Redevelopment Trust Fund

After approval of a community redevelopment plan, there may be established a redevelopment trust fund for each CRA. Funds shall be used by the agency to finance or refinance any community redevelopment it undertakes pursuant to the approved community redevelopment plan.⁵³

Upon the adoption of an ordinance for a redevelopment trust fund, each taxing authority shall, by January 1 of each year, appropriate to the trust fund for so long as any indebtedness pledging

⁴⁷ Section 125.901(1), F.S.

⁴⁸ Section 125.901(1)(a), F.S.

⁴⁹ Section 125.901(3)(b), F.S.

⁵⁰ Section 125.901(3)(d), F.S.

⁵¹ Florida Commerce, *Official List of Special Districts*, (click on Create a Customized List of Special Districts, under Special Purpose, select “Children’s Services), available at: <https://www.floridajobs.org/community-planning-and-development/special-districts/special-district-accountability-program/official-list-of-special-districts> (last visited March 2, 2026).

⁵² Section 163.340(1) and 163.340(9), F.S.

⁵³ Section 163.387(1), F.S.

increment revenues to the payment thereof is outstanding (but not to exceed 30 years) a sum that is no less than the tax increment accruing to such taxing authority.⁵⁴

Tax Increment Financing

The annual funding of the redevelopment trust fund shall be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing authority derived from or held in connection with the undertaking and carrying out of community redevelopment under this part.

Such increment shall be determined annually and shall be that amount equal to 95 percent of the difference between:

- The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of a community redevelopment area; and
- The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the community redevelopment area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of the ordinance providing for the funding of the trust fund.

However, the governing body may determine that the amount to be funded by each taxing authority annually shall be less than 95 percent of the difference, but in no event shall such amount be less than 50 percent of such difference.⁵⁵

Additionally, alternate provisions contained in an interlocal agreement between a taxing authority and the governing body that created the CRA may supersede the provisions of s. 163.387, F.S., with respect to that taxing authority. The community redevelopment agency may be an additional party to any such agreement.⁵⁶

Entities Exempt from Tax Increment Financing

The following public bodies or taxing authorities are exempt from tax increment financing:

- A special district that levies ad valorem taxes on taxable real property in more than one county.
- A special district for which the sole available source of revenue the district has the authority to levy is ad valorem taxes at the time an ordinance is adopted under this section. However, revenues or aid that may be dispensed or appropriated to a district as defined in s. 388.011 at the discretion of an entity other than such district shall not be deemed available.
- A library district, except a library district in a jurisdiction where the community redevelopment agency had validated bonds as of April 30, 1984.
- A neighborhood improvement district created under the Safe Neighborhoods Act.
- A metropolitan transportation authority.

⁵⁴ Section 163.387(2), F.S.

⁵⁵ Section 163.387(1)(a), F.S.

⁵⁶ Section 163.387(3)(b), F.S.

- A water management district created under s. 373.069, F.S.
- For a community redevelopment agency created on or after July 1, 2016, a hospital district that is a special district as defined in s. 189.012, F.S.⁵⁷

Proposed Changes

Section 4 amends s. 163.387, F.S. to exempt a special district that levies ad valorem taxes on real property predominantly to fund children's services pursuant to s. 125.901, F.S., or other legislative acts from transferring tax increment financing funds to the CRA trust fund.

Section 42 provides a reenactment of provisions as necessary to implement the exemption.

Sections 8, 10, 11, and 12 – Inheritance of Homestead Property

Present Situation

Article VII, s. 4 of the Florida Constitution provides that after any change of ownership, as provided by general law, homestead property shall be assessed at just value as of January 1 of the following year, unless the provisions allowing transfer of the Save Our Home benefits apply.

A change of ownership means any sale, foreclosure, or transfer of legal title or beneficial title in equity to any person, except if any of the following apply:⁵⁸

- Subsequent to the change or transfer, the same person is entitled to the homestead exemption as was previously entitled and:
 - The transfer of title is to correct an error;
 - The transfer is between legal and equitable title or equitable and equitable title and no additional person applies for a homestead exemption on the property;
 - The change or transfer is by means of an instrument in which the owner is listed as both grantor and grantee of the real property and one or more other individuals are additionally named as grantee. However, if any individual who is additionally named as a grantee applies for a homestead exemption on the property, the application is considered a change of ownership;
 - The change or transfer is by means of an instrument in which the owner entitled to the homestead exemption is listed as both grantor and grantee of the real property and one or more other individuals, all of whom held title as joint tenants with rights of survivorship with the owner, are named only as grantors and are removed from the title; or
 - The person is a lessee entitled to the homestead exemption under s. 196.041(1), F.S.
- Legal or equitable title is changed or transferred between husband and wife, including a change or transfer to a surviving spouse or a transfer due to a dissolution of marriage.
- The transfer occurs by operation of law to the surviving spouse or minor child or children under s. 732.401, F.S.
- Upon the death of the owner, the transfer is between the owner and another who is a permanent resident and who is legally or naturally dependent upon the owner.
- The transfer occurs with respect to a property where all of the following apply:
 - Multiple owners hold title as joint tenants with rights of survivorship;

⁵⁷ Section 163.387(2)(c), F.S.

⁵⁸ Section 193.155(3)(a), F.S.

- One or more owners were entitled to and received the homestead exemption on the property;
- The death of one or more owners occurs; and
- Subsequent to the transfer, the surviving owner or owners previously entitled to and receiving the homestead exemption continue to be entitled to and receive the homestead exemption.

A leasehold interest that qualifies for the homestead exemption under ss. 196.031 or 196.041, F.S., shall be treated as an equitable interest in the property.⁵⁹

Proposed Changes

Section 8 amends s. 193.155(3), F.S., to specify that, for the purpose of homestead exemption, the property transfer is not a change of ownership if upon the death of the owner, the transfer meets all of the following conditions:

- The owner held legal or equitable title to the property and was entitled to and received the homestead exemption at the time of death.
- The property is devised by a will to only one lineal descendant of the owner, as these terms are defined in s. 731.201, F.S.
- A lineal descendant makes the property his or her homestead as of the second January 1 after the death of the owner.
- The lineal descendant files with the property appraiser proof of his or her entitlement to continue the decedent's assessment by refiling and updating the homestead application under s. 196.011, F.S. The decedent's certificate of death, a certified copy of the decedent's will, a certified copy of the order admitting that will to probate, and an affidavit that the lineal descendant has inherited the real property through that will, must be submitted with the application. Submitting the documents required herein is prima facie evidence of entitlement. If the lineal descendant has a prior homestead, the filing of proof is deemed to be an abandonment of his or her prior homestead property as of the date of the owner's death.

These changes may not be construed to establish homestead property for a descendant who is not otherwise entitled. Section 193.155(8), F.S., may not be applied to a property transferred pursuant to these changes.

Section 8 also amends s. 193.155(10), F.S., to specify if the property appraiser improperly grants the property assessment limitation or on property deemed abandoned under s. 193.155(3)(a)6, F.S., the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest.

Back taxes on the assessment limitation shall apply as follows:

- If the person who received the limitation on property deemed abandoned under s. 193.155(3)(a)6, F.S., voluntarily discloses to the property appraiser that he or she was not entitled to the limitation before the property appraiser notifies the owner of the mistake or omission, no back taxes shall be due.

⁵⁹ Section 193.155(3)(b), F.S.

- If the person who received the limitation on property deemed abandoned under s. 193.155(3)(a)6, F.S., does not voluntarily disclose to the property appraiser that he or she was not entitled to the limitation before the property appraiser notifies the owner of the mistake or omission, back taxes shall be due for any year or years that the owner was not entitled to the limitation within the 5 years before the property appraiser notified the owner of the mistake or omission.

Section 10 amends s. 196.011(10), F.S., to specify that if a homestead exemption is granted on property deemed abandoned under s. 193.155(3)(a)6., F.S., the taxpayer may not be assessed a penalty or interest. Section 10 also makes conforming changes.

Back taxes on the homestead exemption shall apply only as follows:

- If the person who received the homestead exemption on property deemed abandoned under s. 193.155(3)(a)6., F.S., voluntarily discloses to the property appraiser that he or she was not entitled to the homestead exemption before the property appraiser notifies the owner of the mistake or omission, no back taxes shall be due.
- If the person who received the homestead exemption on property deemed abandoned under s. 193.155(3)(a)6., F.S., does not voluntarily disclose to the property appraiser that he or she was not entitled to the homestead exemption before the property appraiser notifies the owner of the mistake or omission, back taxes shall be due for any year or years that the owner was not entitled to the homestead exemption limitation within the 5 years before the property appraiser notified the owner of the mistake or omission.

Section 11 amends s. 196.031, F.S., to provide if an owner who inherited an interest in the property resides on the property, that owner is allowed an exemption of up to the assessed valuation of \$25,000 on the residence and contiguous real property. Also, to provide that, except for an interest inherited by a descendant, the amount of the exemption may not exceed the proportionate assessed valuation of all owners who reside on the property.

Section 12 specifies that the amendments made to ss. 193.155, 196.011, and 196.031, F.S., first apply to the 2027 property tax roll.

Section 9 – Value Adjustment Boards

Ad Valorem Taxation of Tangible Personal Property

Tangible personal property (“TPP”), as defined in s. 192.001(11)(d), F.S., means all goods, chattels, and other articles of value (but does not include vehicular items) capable of manual possession and whose chief value is intrinsic to the article itself. Inventory and household goods are expressly excluded from this definition.

Article VII, s. 1 of the Florida Constitution, grants exclusive authority to local governments to levy ad valorem taxes on tangible personal property.⁶⁰ Anyone who owns TPP on January 1 and has a proprietorship, partnership, corporation, or is a self-employed agent or contractor; or

⁶⁰ See also FLA. CONST. art. VII, s. 9(a).

leases, lends, or rents property, must file a TPP return to the property appraiser.⁶¹ A single return must be filed for each site in the county where the owner of the TPP transacts business.⁶²

Article VII, s. 3(e) of the Florida Constitution, provides for a \$25,000 exemption from the assessed value of TPP subject to ad valorem taxation. Each TPP tax return is eligible for said exemption from ad valorem tax up to \$25,000.⁶³

Timely Filing of TPP Returns

Annually, owners of TPP must file a TPP return with the county property appraiser by April 1. If requested, the property appraiser must grant a 30-day extension to file a TPP return and may grant an additional extension for up to 15 additional days, at his or her discretion. A request for extension must be made in time for the property appraiser to consider the request and act on it before the regular due date of the return.

An assessment may not be contested unless a return as required by s. 193.052, F.S., was timely filed. The term “timely filed”, means filed by the deadline established in s. 193.062, F.S., or before the expiration of any extension granted under s. 193.063, F.S. If notice is mailed pursuant to s. 193.073(1)(a), F.S., a complete return must be submitted under s. 193.073(1)(a), F.S., for the assessment to be contested. Owners of TPP who fail to file a TPP return, who submit a late TPP return, or omit TPP are subject to penalties.⁶⁴ However, for good cause, and upon finding that a TPP owner failed to list TPP on a return or that a late file was not intentional or made with the intent to evade or illegally avoid the payment of lawful taxes, the property appraiser or, in the case of properties valued by the Department of Revenue, the executive director may reduce or waive any of said penalties.

Section 194.032, F.S. enumerates the reasons that a value adjustment board may meet. At present, hearing appeals relating to the timely filing of TPP returns are not among the listed reasons.

The Value Adjustment Board Process

Each county has a Value Adjustment Board (VAB), comprised of two members of the governing body of the county, one member of the school board, and two citizen members appointed by the governing body of the county.⁶⁵ The county clerk acts as the clerk of the VAB.⁶⁶ The VAB may meet for the following enumerated reasons:

- Hearing petitions relating to assessments filed pursuant to s. 194.011(3), F.S.;
- Hearing complaints relating to homestead exemptions;
- Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications;
- Hearing appeals concerning ad valorem tax deferrals and classifications; and

⁶¹ FLA. DEP’T OF REVENUE, *Tangible Personal Property*, https://floridarevenue.com/property/Pages/Taxpayers_TangiblePersonalProperty.aspx (last visited April 10, 2025).

⁶² Section 196.183, F.S.

⁶³ *Id.*

⁶⁴ Section 193.072, F.S.

⁶⁵ Section 194.015, F.S.

⁶⁶ *Id.*

- Hearing appeals from determinations that a change of ownership or control, or a qualifying improvement has occurred.

A property owner may initiate an assessment valuation challenge by filing a petition with the clerk of the VAB within 25 days after the mailing of the TRIM notice.⁶⁷

The clerk of the VAB will schedule the petition for a hearing, during which a special magistrate will hear testimony and make a recommendation to the VAB on how the petition should be resolved.⁶⁸ The VAB renders a written decision within 20 calendar days after the last day the VAB is in session.⁶⁹ The decision of the VAB must contain findings of fact and conclusions of law and must include reasons for upholding or overturning the determination of the property appraiser.⁷⁰ The clerk of the VAB, upon issuance of a decision, must notify each taxpayer and the property appraiser of the decision of the VAB.⁷¹

Proposed Changes

Section 9 revises s. 194.032, F.S. to allow county value adjustment boards to hear appeals relating to the timely filing of TPP returns.

These changes take effect January 1, 2027.

Section 13 – Homestead Exemption Surviving Spouse Transfer

Present Situation

Homestead Exemptions for Certain Veterans and First Responders

In addition to exemptions granted to each person who makes property his or her homestead, the state constitution also authorizes other homestead exemptions based on the status, profession or condition of the person maintaining the homestead property.⁷² Specifically, Florida law provides several property tax exemptions and discounts for disabled veterans and first responders.⁷³ These include exemptions and discounts for the following persons:

- A veteran or first responder⁷⁴ with a total and permanent service-connected disability is entitled to a complete exemption for property owned and used as a homestead.⁷⁵

⁶⁷ Section 194.011(3)(d), F.S. The TRIM (Truth in Millage) notice informs a property owner of total ad valorem tax liability as well as other information about the assessment and millage rates. With respect to an issue involving the denial of an exemption, an agricultural or high-water recharge classification application, an application for classification as historic property used for commercial or certain nonprofit purposes, or a deferral, the petition must be filed at any time during the taxable year on or before the 30th day following the mailing of the notice by the property appraiser.

⁶⁸ Section 194.035, F.S.

⁶⁹ Section 194.034(2), F.S.

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² See, e.g., FLA. CONST. art. VII, s. 6(d); Sections 196.081, 196.082, 196.091, and 196.102, F.S.

⁷³ FLA. CONST. art. VII, s. 6(f) Sections 196.081, and 196.102, F.S.

⁷⁴ “First responder” in this context means a federal law enforcement officer as defined in s. 901.1505(1), a law enforcement officer or correctional officer as defined in s. 943.10, a firefighter as defined in s. 633.102, or an emergency medical technician or paramedic as defined in s. 401.23 who is a full-time paid employee, part-time paid employee, or unpaid volunteer. Section 196.081(6)(c)1., F.S.

⁷⁵ FLA. CONST. art. VII, s. 3(b); ss. 196.081 and 196.102, F.S.

- A veteran with a total service-connected disability that confines him or her to a wheelchair is entitled to a complete exemption for property owned and used as a homestead.⁷⁶
- Certain combat-disabled veterans who are age 65 or older are entitled to discounts on the taxable value of the property in an amount equal to the percentage of the veteran's permanent, service-connected disability.⁷⁷

Homestead Exemptions for the Surviving Spouses of Certain Deceased Veterans and First Responders

Florida law also provides instances where homestead exemptions granted by way of the status or condition of one's spouse carry over to the surviving spouse.⁷⁸ In those instances when certain veterans or first responders predecease their spouse, the surviving spouse may qualify for or continue to receive the exemption that would be granted or was granted to the veteran or first responder.⁷⁹ An exemption granted to a surviving spouse of a disabled or deceased veteran or first responder continues so long as the surviving spouse holds title to the homestead property, permanently resides thereon, and does not remarry. The amount exempted may be carried forward to a new homestead if the first property is sold, the newly acquired property is established as a homestead, and the surviving spouse does not remarry.

Applicant Documentation

The presentation of a letter of total and permanent disability from the United States Government or United States Department of Veterans Affairs (USDVA) or its predecessor by the surviving spouse to the property appraiser is prima facie evidence of entitlement to the exemption provided in 196.081(3), F.S.⁸⁰ Likewise, the presentation of a letter by the surviving spouse of a veteran who died from service-connected causes while active duty as a member of the United States Armed Forces which attests to the veteran's death while on active duty is prima facie evidence that the surviving spouse is entitled to the exemption provided in 196.081(4), F.S.; and the presentation of the letter by the surviving spouse of a first responder who died in the line of duty while employed by certain governmental entities which attests to the first responder's death in the line of duty is prima facie evidence that the surviving spouse is entitled to the exemption provided in 196.081(6), F.S. When the property appraiser receives the applicant documentation, the exemption is granted as of the date of the original application, and any excess taxes paid are required to be refunded, subject to the four years of limitation under s. 197.182(1)(e), F.S.⁸¹

Proposed Changes

Sections 13 amends s. 196.081, F.S., to increase the maximum homestead tax exemption that an eligible surviving spouse of a totally and permanently disabled veteran or a veteran or first responder who lost their life in service may transfer to a new primary residence. The bill increases the exemption transferred to the eligible surviving spouse's new homestead from the

⁷⁶ FLA. CONST. art. VII, s. 3(b); s. 196.091(1), F.S.

⁷⁷ Section 196.082, F.S.

⁷⁸ FLA. CONST. art. VII, s. 3(b); Section 196.081, 196.091, and 196.102, F.S.

⁷⁹ *Id.*

⁸⁰ Section 196.081(2), F.S.

⁸¹ Section 196.081(5), F.S.

amount granted on the most recent ad valorem tax roll to no more than 120 percent of that amount.

Sections 14 and 15 – Property Tax Exemption for Certain Deployed Servicemembers

Present Situation

Article VII, s. 3 of the Florida Constitution provides that by general law and subject to the conditions specified therein, each person who receives a homestead exemption as provided in section 6 of this article; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property.

A servicemember who receives a homestead exemption may receive an additional property tax exemption on that homestead property. The exemption is available to servicemembers who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of any of the following military operations:⁸²

- Operation Joint Task Force Bravo, which began in 1995.
- Operation Joint Guardian, which began on June 12, 1999.
- Operation Noble Eagle, which began on September 15, 2001.
- Operations in the Balkans, which began in 2004.
- Operation Nomad Shadow, which began in 2007.
- Operation U.S. Airstrikes Al Qaeda in Somalia, which began in January 2007.
- Operation Copper Dune, which began in 2009.
- Operation Georgia Deployment Program, which began in August 2009.
- Operation Spartan Shield, which began in June 2011.
- Operation Inherent Resolve, which began on August 8, 2014.
- Operation Atlantic Resolve, which began in April 2014.
- Operation Freedom's Sentinel, which began on January 1, 2015.
- Operation Resolute Support, which began in January 2015.
- Operation Juniper Shield, which began in February 2007.
- Operation Pacific Eagle, which began in September 2017.
- Operation Martillo, which began in January 2012.
- Operation Enduring Freedom – Horn of Africa, which began in January 2015.
- European Reassurance Initiative/European Deterrence Initiative, which began in 2014.

The exemption is also available to servicemembers who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of a subordinate operation to a main operation designated above.⁸³

⁸² Section 196.173(2), F.S.

⁸³ Section 196.173(3), F.S.

Additionally, by January 15 of each year, the Department of Military Affairs shall submit to the President of the Senate, the Speaker of the House of Representatives, and the tax committees of each house of the Legislature a report of all known and unclassified military operations outside the continental United States, Alaska, or Hawaii for which servicemembers based in the continental United States have been deployed during the previous calendar year.⁸⁴

Proposed Changes

Section 14 amends the list of military operations in s. 196.173(2), F.S. to add:

- Operation European Assure, Deter and Reinforce, which began in 2014
- Operations in Israel and the Gaza Strip’s Mediterranean territorial seas and air spaces, which began in March 2023.
- Operations in support of the Pacific Deterrence Initiative, which began in 2021.
- Operation Southern Spear, which began in 2025.
- Operation Sharp Sentry, which began in 2010.
- Operations by the Multinational Force and Observers, which began in 1981.

Section 15 provides that the amendments made to s. 196.173, F.S., first apply to the 2026 property tax roll.

These changes take effect upon this act becoming a law.

Sections 16 and 17 – Missing Middle Opt-out

Present Situation

The Live Local Act created an ad valorem tax exemption for owners that provide affordable housing⁸⁵ in newly constructed multifamily rental developments.⁸⁶ Also known as the “Missing Middle” exemption, developments must contain more than 70 units or, if in an area of critical state concern, as designated by s. 380.0552, F.S., or chapter 28-36, F.A.C.,⁸⁷ 10 units, dedicated to housing natural persons or families below prescribed income thresholds.

In addition, the property must be rented to persons or families whose annual household income does not exceed 120 percent of the median annual adjusted gross income (AMI) in amounts that do not exceed limits established by the United States Department of Housing and Urban Development, which are published by the Florida Housing Finance Corporation, or 90 percent of the fair market value rent as determined by a rental market study.⁸⁸

Such property used to provide affordable housing at the 80 to 120 percent AMI threshold receives an exemption of 75 percent of the assessed value of the affordable units, while property

⁸⁴ Section 196.173(4), F.S.

⁸⁵ Section 8, Ch. 2023-17, L.O.F. codified under s. 196.1978(3), F.S.

⁸⁶ The term “newly constructed” means an improvement to real property which was substantially completed within 5 years before the date of an applicant’s first submission of a request for a certification notice pursuant to this subsection.

⁸⁷ An area of critical state concern, as designated by s. 380.0552 or chapter 28-36, Florida Administrative Code refers to the City of Key West and the Florida Keys Area, which includes unincorporated Monroe County and the municipalities of Layton, Islamorada, Marathon and Key Colony Beach.

⁸⁸ Section 196.1978(3)(b)3., F.S.

providing affordable housing up to the 80 percent AMI threshold receives a complete ad valorem tax exemption for the affordable units.

Beginning with the 2025 tax roll, a taxing authority may elect not to exempt property used to house persons or families whose annual household income is greater than 80 percent but not more than 120 percent of the median annual adjusted gross income. An election made pursuant to this law may apply only to the ad valorem property tax levied within a county by the taxing authority making the election.⁸⁹

A taxing authority electing to not exempt such property, must make a finding in an ordinance or resolution that the most recently published Shimberg Center for Housing Studies Annual Report identifies that a county that is part of the jurisdiction of the taxing authority is within a metropolitan statistical area or region (MSA) where the number of affordable and available units in the MSA is greater than the number of renter households in the MSA for the category entitled “0-120 percent AMI.”⁹⁰ Essentially, an area where there is a surplus of affordable housing for persons up to the 120 percent AMI threshold. An ordinance or resolution takes effect on the January 1 immediately after adoption and expires on the second January 1 after having taken effect. The ordinance or resolution may be renewed before expiring if the taxing authority meets the statutory requirements.

This exemption first applied to the 2024 tax roll and will expire on December 31, 2059.

Building Permits

It is the intent of the Legislature that local governments have the power to inspect all buildings, structures, and facilities within their jurisdiction for the protection of the public’s health, safety, and welfare.⁹¹ Every local government must enforce the Florida Building Code and issue building permits.⁹²

A building permit is an official document or certificate issued by the local building official that authorizes performance of a specified activity.⁹³ It is unlawful for a person, firm, corporation, or governmental entity to construct, erect, alter, modify, repair, or demolish any building without first obtaining a building permit from the appropriate enforcing agency or from such persons as may, by resolution or regulation, delegated the authority to issue such permit.⁹⁴

Current law requires local governments to post their building permit applications, including a list of all required attachments, drawings, and documents for each application, on their website.⁹⁵ The act prescribes the information and format of applications for fire alarm permit applications.⁹⁶

⁸⁹ Section 196.1978(3)(o), F.S.

⁹⁰ Section 196.1978(3)(o) 2., F.S.

⁹¹ Section 553.72(2), F.S.

⁹² Section 553.80(1), F.S. *See also* ss. 125.01(1)(bb) and 125.56(1), F.S.

⁹³ Florida Building Code, *2023 Florida Building Code: 8th Edition*, s. 220 (2023), available at https://codes.iccsafe.org/content/FLBC2023P1/chapter-2-definitions#FLBC2023P1_Ch02_Sec202 (last visited Feb. 4, 2026).

⁹⁴ Section 553.79(1), F.S. *See also* s. 125.56(4)(a), F.S.

⁹⁵ Section 553.79(1), F.S.

⁹⁶ *See* s. 553.7921, F.S.

The minimum application information and format requirements for other building permits issued by local governments are prescribed by s. 713.135, F.S.

Any construction work that requires a building permit also requires plans and inspections to ensure the work complies with the Building Code.⁹⁷ The Building Code requires certain building, electrical, plumbing, mechanical, and gas inspections.⁹⁸ Construction work may not be performed beyond a certain point until it passes an inspection.⁹⁹ Generally speaking, a permit for construction work that passes the required inspections are considered completed or closed.¹⁰⁰

Shimberg Report

The Shimberg Center for Housing Studies was established at the University of Florida in 1988.¹⁰¹ The Center conducts research on housing policy and planning and provides data and research to state agencies and other interested persons.¹⁰² The Department of Commerce's research and planning functions include the collection of data on the need for affordable housing and the extent to which that need is being met. The Shimberg Center fulfills the department's function, in part, through quantifying affordable housing needs in this state and inventorying the supply of affordable housing.¹⁰³ By December 31 of each year, the Shimberg Center for Housing Studies must submit to the Legislature an updated housing report describing the supply of and need for affordable housing.¹⁰⁴

The 2025 Annual Report indicates that renter households outnumber affordable and available units statewide by 73,307 in the 0-120 percent category.¹⁰⁵

Proposed Changes

Section 16 amends section 196.1978(3), F.S., to require a taxing authority make a finding that Shimberg's annual reports for each of the 3 previous years identify the number of affordable and available units in the metropolitan statistical area or region is greater than the number of renter households in the metropolitan statistical area or region for the category entitled "0-120 percent AMI." Additionally, the bill provides that, notwithstanding an ordinance or a resolution or a renewal thereof, the owner of a property in a multifamily project that was issued a building permit on or after July 1, 2026, for the development of residential units in the multifamily project within 4 years before the adoption of such ordinance or resolution or renewal may apply for and be granted the exemption after meeting the requirements of this specified in statute and may

⁹⁷ See s. 533.79(2), F.S.

⁹⁸ Florida Building Code, *2023 Florida Building Code: 8th Edition*, s. 110.3 (2023), available at https://codes.iccsafe.org/content/FLBC2023P1/chapter-1-scope-and-administration#FLBC2023P1_Ch01_SubCh02_Sec110 (last visited Feb. 4, 2026).

⁹⁹ *Id.* at s. 110.6

¹⁰⁰ Section 553.79(16), F.S.

¹⁰¹ Shimberg Center for Housing Studies University of Florida, *News Highlights*, available at <http://www.shimberg.ufl.edu/> (last visited Feb. 19, 2026)

¹⁰² Shimberg Center for Housing Studies University of Florida, *About the Shimberg Center*, available at <http://www.shimberg.ufl.edu/about> (last visited Feb. 19, 2026)

¹⁰³ Section 420.6075, F.S.

¹⁰⁴ *Id.*

¹⁰⁵ Shimberg Center for Housing Studies, *2025 Annual Report*, available at http://www.shimberg.ufl.edu/publications/Shimberg_Center_Annual_Report_2025.pdf (last visited Feb. 19, 2026)

continue to receive such exemption for each subsequent consecutive year in which the same owner or each successive owner applies for and is granted the exemption.

Section 17 specifies that the amendments made to section 196.1978, F.S., first apply to the 2027 property tax roll. Additionally, an ordinance adopted pursuant to s. 196.1978(3), F.S., before July 1, 2026, is valid until its expiration.

Section 18 – Maximum Millage Vote Threshold (No Prior Year Levy)

Present Situation

In each fiscal year, the maximum millage rate that a county, municipality, special district dependent to a county or municipality, municipal service taxing unit, or independent special district may levy is a rolled-back rate based on the amount of taxes which would have been levied in the prior year if the maximum millage rate had been applied, adjusted for change in per capita Florida personal income, unless a higher rate was adopted, in which case the maximum millage rate is the prior year adopted rate.¹⁰⁶

Once the maximum millage rate has been calculated, a local government may only adopt a higher rate under the following conditions:

- A rate of not more than 110 percent of the rolled-back rate based on the previous year's maximum millage rate, adjusted for change in per capita Florida personal income, may be adopted if approved by a two-thirds vote of the membership of the governing body of the county, municipality, or independent district.¹⁰⁷
- A rate in excess of 110 percent may be adopted if approved by a unanimous vote of the membership of the governing body of the county, municipality, or independent district or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.¹⁰⁸

Voted millage and taxes levied by a municipality or independent special district that has levied ad valorem taxes for less than 5 years are not subject to the voting thresholds associated with the maximum millage limitation discussed above.¹⁰⁹

The maximum millage rate limitation in statute does not explicitly specify the vote threshold to adopt a rate when a taxing authority is in its first year or when a taxing authority had a millage rate of zero in the previous year. The Attorney General's Office opined that:

In a situation where the previous year's millage is zero and the resulting rolled-back rate is zero, however, any increase in the millage rate in a subsequent year would be in excess of 110 percent of the rolled-back rate. Thus, section 200.065(5)(a)2., Florida Statutes, by its plain language applies to any rate increase in excess of 110 percent and would authorize

¹⁰⁶ Section 200.065(5)(a), F.S.

¹⁰⁷ Section 200.065(5)(a)1., F.S.

¹⁰⁸ Section 200.065(5)(a)2., F.S.

¹⁰⁹ Section 200.065(5)(b), F.S.

such an increase by a unanimous vote of the board or by referendum approval.¹¹⁰

Proposed Changes

Section 18 amends section 200.065(5)(b), F.S., to specify that the nonvoted millage rate that any other taxing authority that is subject to the maximum millage limitation may levy in its first year or in a year immediately succeeding a year in which the millage rate was zero must be approved by a vote as provided for in section 200.065(5)(a)2, F.S.

Section 200.065(5)(a)2, F.S., states that a rate in excess of 110 percent may be adopted if approved by a unanimous vote of the membership of the governing body of the county, municipality, or independent district or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.

Sections 19, 26, 27, 36 through 41, and 45 through 59 – Distribution Change and Definition Change for Fiscally Constrained Counties

Present Situation

Fiscally Constrained Counties

Fiscally constrained counties are counties entirely within a rural area of opportunity or where a 1-mill levy would raise no more than \$5 million in annual tax revenue.¹¹¹ A “rural area of opportunity” is a rural community, or a region composed of rural communities, designated by the Governor, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster. A rural area of opportunity may also be a community or communities that present a unique economic development opportunity of regional impact.¹¹²

There are 29 counties that currently meet these conditions; Baker, Bradford, Calhoun, Columbia, Desoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, and Washington.¹¹³ Although each of the counties is designated by the Governor as a rural area of opportunity,¹¹⁴ Highland’s and Putnam’s 1-mill levy currently surpass the \$5 million threshold.¹¹⁵

¹¹⁰ Op. Att’y Gen. Fla. 2010-33 (2010).

¹¹¹ Section 218.67(1), F.S.

¹¹² Section 288.0656 (1), F.S.

¹¹³ Florida Department of Revenue, *Fiscally Constrained Counties*, available at https://www.floridarevenue.com/property/Documents/fcc_map.pdf (last visited Feb. 18, 2026).

¹¹⁴ Executive Office of the Governor, see Executive Orders 21-149, 23-132, and 25-141, available at <https://www.flgov.com/eog/news/executive-orders> (last visited Feb. 18, 2025).

¹¹⁵ Florida Office of Economic and Demographic Research, *Detailed County Taxable Value* (January 2026), available at https://edr.state.fl.us/Content/conferences/advalorem/adval_StatewideComparisonCounty.pdf (last visited Feb. 21, 2026).

Direct-to-Home Satellite Service Tax Distribution

Retail sales of direct-to-home satellite service received in Florida are subject to the communications service tax at the rate of 9.07 percent and the gross receipts tax at the rate of 2.37 percent.¹¹⁶

From these communications services tax receipts, 55.9 percent is distributed through the state's "standard" sales tax distribution formula.¹¹⁷ The remaining 44.1 percent is transferred to the Local Government Half-cent Sales Tax Trust Fund.¹¹⁸

Seventy percent of the transfer is distributed formulaically to all counties within the state. The remaining 30 percent is distributed to fiscally constrained counties that are eligible to participate in the local government half-cent sales tax distribution.¹¹⁹ Fiscally constrained counties may use the funds from this distribution for any public purpose, except for debt service.¹²⁰

The collections from the tax on direct-to-home satellite service have declined in recent years; with distributions to fiscally constrained counties decreasing from \$18.1 million in Fiscal Year 2018-2019¹²¹ to \$9.5 million in Fiscal Year 2024-2025.¹²²

Distribution Factors

Each fiscally constrained county receives a portion of the total direct-to-home satellite service distribution. At the beginning of each fiscal year, the Department of Revenue (DOR) determines the amount to be distributed to each fiscally constrained county using the prior fiscal year's certified school taxable value, county millage rate, and latest April 1 county population, excluding prisoners.¹²³ The following factors are created by the DOR to determine each county's relative share of the total distribution available for the coming fiscal year:¹²⁴

The relative revenue-raising-capacity factor is based on a county's certified school taxable value and population and referred to in law as the ability of a county to generate property tax revenues from 1 mill on a per capita basis.¹²⁵ Counties that generate less per capita revenue receive a higher factor. For example, a county that raises \$25 or less per capita receives a factor value of 1; whereas a county that raises more than \$50 per capita receives a factor value of 0. In Fiscal Year 2025-2026, only two fiscally constrained counties were eligible for this factor.¹²⁶

¹¹⁶ Sections 202.12(1)(b) and 203.01(1)(b)2., F.S.

¹¹⁷ Section 202.18(2)(b), F.S. *See also* s. 212.20(6)(d), F.S. Gross receipts tax revenues are distributed to the Public Education Capital Outlay (PECO) and Debt Service Trust Fund in accordance with section 9 of Article XII of the State Constitution.

¹¹⁸ Section 202.18(2)(c)1., F.S.

¹¹⁹ *Id.*

¹²⁰ Section 218.67(5), F.S.

¹²¹ Florida Office of Economic and Demographic Research, *Ordinary, Emergency, Supplemental, and Fiscally-Constrained Distributions by County: SFY 1987-2024*, available at <https://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm> (last visited Feb. 21, 2026).

¹²² Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Form 5, available at <https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx> (last visited Feb. 18, 2026).

¹²³ Section 186.901, F.S.

¹²⁴ Section 218.67(3)(a), F.S.

¹²⁵ *Id.*

¹²⁶ Email correspondence with staff at the Department of Revenue, Dec. 4, 2025 (on file with the Senate Committee on Finance and Tax).

The local-effort factor is based on a county's millage rate and referred to in law as a measure of the relative level of local effort of a county as indicated by the millage rate levied for the prior fiscal year.¹²⁷ This factor guarantees that each county receives a portion of the total distribution. It uses the most recently adopted countywide operating millage rate for each eligible county and multiplies that millage rate by 0.1. For example, a county with a countywide operating millage rate of 6.73 would receive a factor value of 0.673.

Sales and Use Tax and Fiscally Constrained Counties

A portion of Florida's state sales and use tax collections are distributed to all eligible counties and municipalities through the County and Municipal Revenue Sharing programs and the Local Government Half-Cent Sales Tax program. These programs distributed to fiscally constrained counties, including municipalities within the counties, approximately \$333.2 million in Fiscal Year 2024-2025.¹²⁸

In contrast to the tax on direct-to-home satellite service, collections from sales tax have increased from \$28.5 billion in Fiscal Year 2018-2019 to \$41.1 billion in Fiscal Year 2024-2025.¹²⁹ Additionally, sales tax collections are based on sales of a wide variety of goods and some services and change with the state's economic cycles.

Proposed Changes

Section 19 amends s. 202.18, F.S., to redirect the entire remainder of direct-to-home satellite service tax to the Local Government Half-Cent Sales Tax Trust Fund. This effectively ends the 30 percent distribution for fiscally constrained counties, which is replaced by a new distribution as described in the sections below.

Section 26 amends s. 212.20, F.S., to create a new sales tax distribution for fiscally constrained counties. The new distribution is the greater of \$50 million or 0.1412 percent of available sales tax proceeds.

Section 27 amends s. 218.67, F.S., to replace the fiscally constrained county distribution factors discussed in the present situation with:

- The contribution-to-revenue factor. This factor is calculated by dividing the county's population by the sales tax collections attributable to the county and then multiplying by 100.
- The personal-income factor. This factor is calculated by dividing the median per capita personal income of participating counties by the county's per capita personal income.

Each county's proportional allocation of the newly created sales tax distribution must be the same proportion as the sum of the county's two new factors is to the sum of the two factors for all eligible counties. The bill also adds requirements that the proportional rate computation must

¹²⁷ Section 218.67(3)(b), F.S.

¹²⁸ Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Forms 5 and 6, *available at* <https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx> (last visited Feb. 18, 2026).

¹²⁹ Florida Office of Economic and Demographic Research, *Revenue Estimating Conference Long-Term Revenue Analysis, Volume 41, Rev. Nov. 6, 2025*, *available at* <https://edr.state.fl.us/Content/conferences/longtermrevenue/index.cfm> (last visited Feb. 21, 2026).

be carried to the fifth decimal place and that the amount to distribute to each county must be rounded to the next whole dollar amount.

The money distributed pursuant to this section must be allocated as follows: 50 percent of the distribution may be used for public safety, including for salaries for law enforcement, correctional officers, firefighters, emergency medical technicians, or paramedics; 30 percent may be used for infrastructure; and 20 percent may be used for any public purpose. The money received may not be used for debt service.

The bill removes the provision for a county to be classified as fiscally constrained if the county is entirely within a rural area of opportunity. It also increases the revenue qualification from where a 1-mill levy would raise no more than \$10 million, which is an increase from \$5 million.

Sections 36 through 41 and 45 through 59 make conforming changes throughout Florida Statutes and provides reenactments of provisions as necessary to implement the distribution change and definition change for fiscally constrained counties.

Sections 20, 21, 23, 24, 43, 44, and 61 – Provision of Electric Vehicle Charging

Present Situation

Electric Vehicles

The U.S. Department of Energy’s Alternative Fuels Data Center (AFDC) uses the term, “electric-drive vehicles,” as referring collectively to hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV), and all-electric vehicles (EV)—which are also known as battery electric vehicles (or BEVs).¹³⁰ According to the AFDC:

- HEVs are primarily powered by an internal combustion engine that runs on conventional or alternative fuel and an electric motor using energy stored in a battery. The battery is charged through regenerative braking and the internal combustion engine, not by plugging in to charge.
- PHEVs are powered by an internal combustion engine and an electric motor using energy stored in a battery. They can operate in all-electric mode through a larger battery, which can be plugged into an electric power source to charge. Most can travel between 20 and 40 miles on electricity alone and then will operate solely on gasoline—similar to a conventional hybrid.
- EVs use a battery to store the electric energy that is charged by plugging the vehicle into charging equipment. EVs always operate in all-electric mode and have typical driving ranges from 150 to 400 miles.¹³¹

The primary difference between an EV and a traditional internal combustion engine (ICE) vehicle lies in their power trains. The main components of an EV power train are its battery, a

¹³⁰ U.S. Dept. Energy, AFDC, *Hybrid and Plug-In Electric Vehicles*, available at: <https://afdc.energy.gov/vehicles/electric.html> (last visited Feb. 2, 2026).

¹³¹ *Id.*

motor, and ancillary systems. The main components of an ICE power train are its liquid fuel storage, combustion chambers and related cooling system, transmission, and exhaust system.¹³²

For purposes of vehicle registration, Florida law currently defines the term “electric vehicle” to mean a motor vehicle that is powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current.¹³³

Electric Vehicle Charging Stations

EVs need access to charging stations. For most EV users, charging starts at home or at fleet facilities. Charging stations at other commonly-visited locations, however, such as work, public destinations, and along roadways, can offer more flexible fueling charging opportunities. While most EV owners do the majority of their charging at home, the growth of charging stations has made longer distance travel with EVs more feasible and has helped grow the market for EVs.¹³⁴

There are three general types of chargers:

- Level 1: Level 1 chargers use a standard 120-volt home outlet (i.e. a standard wall socket). These are the slowest types of chargers and, on average, provide about five miles of driving distance per hour of charging.
- Level 2: Level 2 chargers use a 240-volt outlet. Such outlets are often used for larger home appliances with greater power needs, such as electric ovens and clothes dryers. To use such chargers at home, homeowners may need a professional to install a 240-volt outlet in a vehicle-accessible location and additional equipment installation may be necessary. Level 2 chargers can also be found in some public charging stations. Level 2 chargers, on average, provide about 25 miles of driving distance per hour of charging.
- Direct Charge Fast Chargers (DCFC): DCFC are the fastest types of chargers. These are not typically found in homes. However, they are available at public charging stations and along roadways and highway routes. They work by supplying high levels of electricity directly to the EV’s battery—bypassing the typical EV equipment that converts alternating current (AC)¹³⁵ to direct current (DC). These types of chargers provide approximately 100 to 300 miles of driving for a 30-minute charge; some DCFC can charge even faster than this.¹³⁶

EV Charging in Florida

Since the current regulatory structure of electric utilities in Florida includes exclusive service territories, the sale of electricity to retail, or end-use customers by a third party is not permitted.¹³⁷ In 2012 the Florida Legislature created an exemption for EV charging, under s. 366.94(4), F.S., declaring that the provision of electric vehicle charging to the public by a non-

¹³² Brandon S. Tracy, Cong. Research Serv., R47227, *Critical Minerals in Electric Vehicle Batteries*, (2022), available at: <https://crsreports.congress.gov/product/pdf/R/R47227> (last visited Feb. 2, 2026).

¹³³ Section 320.01(36), F.S.

¹³⁴ U.S. Dept. of Energy, *Developing Infrastructure to Charge Electric Vehicles*, available at: <https://afdc.energy.gov/fuels/electricity-stations> (Jan. 24, 2024), (last visited Feb. 2, 2026).

¹³⁵ AC is the type of main power supplied through the electric distribution grid to residential, commercial, and industrial customers.

¹³⁶ Environmental Protection Agency, *Plug-in Electric Vehicle Charging: The Basics*, available at: <https://www.epa.gov/greenvehicles/plug-electric-vehicle-charging-basics> (last visited Feb. 2, 2026).

¹³⁷ FDOT, *EV Infrastructure Master Plan* (July 2021), p. 16, available at: <https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/fto/fdotevmp.pdf> (last visited Feb. 2, 2026).

utility is not considered a retail sale of electricity under ch. 366, F.S. The rates, terms, and conditions of EV charging by a non-utility are not subject to Florida Public Service Commission (PSC) regulation.¹³⁸

Statistics provided by the U.S. Department of Energy show that Florida has the third largest EV charging infrastructure in the country, behind California and New York.¹³⁹ As of February 2, 2026, Florida has the following numbers of charging infrastructure:¹⁴⁰

- Station locations – 4,096
- EV supply equipment ports – 13,806
- Level 1 chargers - 21
- Level 2 chargers – 9,397
- DCFC – 4,388

Florida Public Service Commission

The PSC is an arm of the legislative branch of government.¹⁴¹ The role of the PSC is to ensure Florida’s consumers receive utility services, including electric, natural gas, telephone, water, and wastewater, in a safe and reliable manner and at fair prices.¹⁴² In order to do so, the PSC exercises authority over utilities in one or more of the following areas: rate base or economic regulation; competitive market oversight; and monitoring of safety, reliability, and service issues.¹⁴³

Electric Utilities

The PSC monitors the safety and reliability of the electric power grid¹⁴⁴ and may order the addition or repair of infrastructure as necessary.¹⁴⁵ The PSC has broad jurisdiction over the rates and service of investor-owned electric and gas utilities¹⁴⁶ (defined as “public utilities” under ch. 366, F.S.).¹⁴⁷ However, the PSC does not fully regulate municipal electric utilities (utilities owned or operated on behalf of a municipality) or rural electric cooperatives. The PSC does have jurisdiction over these types of utilities with regard to rate structure, territorial boundaries, and bulk power supply operations and planning.¹⁴⁸ Municipally-owned utility rates and revenues are regulated by their respective local governments or local utility boards. Rates and revenues for a cooperative utility are regulated by its governing body elected by the cooperative’s membership.

¹³⁸ Section 366.94(1), F.S.

¹³⁹ United States Department of Energy, *Alternative Fuels Data Center: Alternative Fueling Station Counts by State*, available at: <https://afdc.energy.gov/stations/states> (last visited Feb. 2, 2026).

¹⁴⁰ *Id.*

¹⁴¹ Section 350.001, F.S.

¹⁴² See Florida Public Service Commission, *Florida Public Service Commission Homepage*, available at: <http://www.psc.state.fl.us> (last visited Feb. 2, 2026).

¹⁴³ Florida Public Service Commission, *About the PSC*, available at: <https://www.psc.state.fl.us/about> (last visited Feb. 2, 2026).

¹⁴⁴ Section 366.04(5) and (6), F.S.

¹⁴⁵ Section 366.05(1) and (8), F.S.

¹⁴⁶ Section 366.05, F.S.

¹⁴⁷ Section 366.02(8), F.S.

¹⁴⁸ Florida Public Service Commission, *About the PSC*, *supra* note 143.

Municipal Electric Utilities in Florida

A municipal electric is an electric or gas utility owned and operated by a municipality. Chapter 366, F.S., provides the majority of electric and gas utility regulations for Florida. While ch. 366, F.S., does not provide a definition, per se, for a “municipal utility,” variations of this terminology and the concept of these types of utilities appear throughout the chapter. Currently, Florida has 33 municipal electric utilities that serve over 14 percent of the state’s electric utility customers.¹⁴⁹

Rural Electric Cooperatives in Florida

At present, Florida has 18 rural electric cooperatives, with 16 of these cooperatives being distribution cooperatives and two being generation and transmission cooperatives.¹⁵⁰ These cooperatives operate in 57 of Florida’s 67 counties and have more than 2.7 million customers.¹⁵¹ Florida rural electric cooperatives serve a large percentage of area, but have a low customer density. Specifically, Florida cooperatives serve approximately 10 percent of Florida’s total electric utility customers, but their service territory covers 60 percent of Florida’s total land mass. Each cooperative is governed by a board of cooperative members elected by the cooperative’s membership.¹⁵²

Public Electric and Gas Utilities in Florida

There are four investor-owned electric utility companies (electric IOUs) in Florida: Florida Power & Light Company (FPL), Duke Energy Florida (Duke), Tampa Electric Company (TECO), and Florida Public Utilities Company (FPUC).¹⁵³ Electric IOU and gas IOU rates and revenues are regulated by the PSC, and the utilities must file periodic earnings reports. This allows the PSC to monitor earnings levels on an ongoing basis and adjust customer rates quickly if a company appears to be overearning.¹⁵⁴ If a utility believes it is earning below a reasonable level, it can petition the PSC for a change in rates.¹⁵⁵

Section 366.041(2), F.S., requires public utilities to provide adequate service to customers. As compensation for fulfilling that obligation, s. 366.06, F.S., requires the PSC to allow the IOUs to recover honestly and prudently invested costs of providing service, including investments in infrastructure and operating expenses used to provide electric service.¹⁵⁶

¹⁴⁹ Florida Municipal Electric Association, *About Us*, available at: <https://www.flpublicpower.com/about-us> (last visited Feb. 2, 2026).

¹⁵⁰ Florida Electric Cooperative Association, *Members*, available at: <https://feca.com/members/> (last visited Feb. 2, 2026).

¹⁵¹ Florida Electric Cooperative Association, *Our History*, available at: <https://feca.com/our-history/> (last visited Feb. 2, 2026).

¹⁵² *Id.*

¹⁵³ Florida Public Service Commission, *2025 Facts and Figures of the Florida Utility Industry*, p. 4, available at: <https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/General/FactsAndFigures/April%202025.pdf> (last visited Feb. 2, 2026).

¹⁵⁴ PSC, *2024 Annual Report*, p. 6, available at: <https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/General/AnnualReports/2024.pdf> (last visited Feb. 2, 2026).

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

General Overview of Taxation of Electrical Power

Florida levies on sales of electrical power or energy the sales and use tax¹⁵⁷ at a rate of 4.35 percent;¹⁵⁸ on charges for, or the use of, electrical power or energy subject to the sales and use tax, a gross receipts tax at a rate of 2.6 percent;¹⁵⁹ and on utility services a gross receipts tax at a rate of 2.5 percent.¹⁶⁰

If a transaction or use is exempt from sales tax, it is also exempt from the 2.6 percent tax on gross receipts.¹⁶¹ Examples of exempt electricity include sales of utilities and fuel to residential households or owners of residential models by utility companies who pay the 2.5 percent gross receipts tax;¹⁶² electricity used exclusively at a data center;¹⁶³ and electricity used directly or indirectly for production, packing, or processing of agricultural products on the farm or used directly or indirectly in a packinghouse, only if the electricity used for the exempt purpose is separately metered.¹⁶⁴

A seller of electrical power or energy may collect a combined rate of 6.95 percent¹⁶⁵, which consists of the 4.35 percent sales and use tax¹⁶⁶ and 2.6 percent gross receipts tax.¹⁶⁷

Sales tax is levied on the sale or rental of tangible personal property unless specifically exempted.¹⁶⁸ “Tangible personal property” means, in part, personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power.¹⁶⁹ Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.¹⁷⁰

The 2.6 percent gross receipts tax is due and payable at the same time as sales tax, and the laws governing the administration of the sales and use tax govern the administration and enforcement of the gross receipts tax.¹⁷¹

Gross Receipts Tax for Utility Services

As mentioned, the gross receipts tax rate applied to utility services is 2.5 percent¹⁷² and is levied against the total amount of gross receipts received by a distribution company for its sale of utility services if the utility service is delivered to the retail consumer by a distribution company and the

¹⁵⁷ Generally, local discretionary sales surtaxes are not levied on the sales amount above \$5,000; however, in the case of utility services, the entire amount of the charge is subject to the surtax. See s. 212.054(2)(b), F.S.

¹⁵⁸ Section 212.05(1)(e)1.c., F.S.

¹⁵⁹ Section 203.01(1)(b)3., F.S.

¹⁶⁰ Section 203.01(1)(b)1., F.S.

¹⁶¹ Section 203.01(1)(a)3., F.S.

¹⁶² Section 212.08(7)(j), F.S.

¹⁶³ Section 212.08(5)(r), F.S.

¹⁶⁴ Section 212.08(5)(e)2., F.S.

¹⁶⁵ Sections 203.0011, F.S. and 212.05011, F.S.

¹⁶⁶ Section 212.05(1)(e)1.c., F.S.

¹⁶⁷ Section 203.01(1)(b)4., F.S.

¹⁶⁸ Section 212.21, F.S.

¹⁶⁹ Section 212.02(19), F.S.

¹⁷⁰ Section 212.07(2), F.S.

¹⁷¹ Section 203.01(1)(a)3., F.S.

¹⁷² Section 203.01(1)(b)1., F.S.

retail consumer pays the distribution company a charge for utility service which includes a charge for both the electricity and the transportation of electricity to the retail consumer.¹⁷³ If a payment is not subject to the aforementioned method of taxation, the distribution company's receipts for the delivery of electricity shall be determined by multiplying the number of kilowatt hours delivered by the index price¹⁷⁴ and applying the rate of 2.5 percent.¹⁷⁵

"Distribution company" means any person owning or operating local electric or natural or manufactured gas utility distribution facilities within this state for the transmission, delivery, and sale of electricity or natural or manufactured gas. The term does not include natural gas transmission companies that are subject to the jurisdiction of the Federal Energy Regulatory Commission.¹⁷⁶

"Utility service" means electricity for light, heat, or power; and natural or manufactured gas for light, heat, or power, including transportation, delivery, transmission, and distribution of the electricity or natural or manufactured gas. This does not broaden the definition of utility service to include separately stated charges for tangible personal property or services which are not charges for the electricity or natural or manufactured gas or the transportation, delivery, transmission, or distribution of electricity or natural or manufactured gas.¹⁷⁷

Sale for Resale under Sales Tax

Florida law proclaims that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state.¹⁷⁸ A "retail sale" or a "sale at retail" means a sale to a consumer or to any person for any purpose other than for resale in the form of tangible personal property or services taxable under this chapter and includes all such transactions that may be made in lieu of retail sales or sales at retail.¹⁷⁹ Such person must file with the Department of Revenue (DOR) an application for a certificate of registration. Upon receipt of the application, the DOR must grant a certificate of registration and an annual resale certificate, which provides a dealer with the necessary documentation to purchase goods exempt from tax.¹⁸⁰

A retail sale includes the sale, use, storage, or consumption of tangible personal property, including machinery and equipment or parts thereof, purchased electricity, and fuels used to power machinery, when such items are used and dissipated in fabricating, converting, or processing tangible personal property for sale, even though they may become ingredients or

¹⁷³ Section 203.01(c)1., F.S.

¹⁷⁴ According to s. 203.01(d)2., F.S., the index price is the Florida price per kilowatt hour for retail consumers in the previous calendar year, as published in the United States Energy Information Administration Electric Power Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

¹⁷⁵ Section 203.01(d)1., F.S.

¹⁷⁶ Section 203.012(1), F.S.

¹⁷⁷ Section 203.012(3), F.S.

¹⁷⁸ Section 212.05, F.S.

¹⁷⁹ Section 212.02(14)(a), F.S.

¹⁸⁰ Section 212.18(3), F.S.

components of the tangible personal property for sale through accident, wear, tear, erosion, corrosion, or similar means.¹⁸¹

A retail sale does not include materials, containers, labels, sacks, bags, or similar items intended to accompany a product sold to a customer without which delivery of the product would be impracticable because of the character of the contents and be used one time only for packaging tangible personal property for sale or for the convenience of the customer or for packaging in the process of providing a service taxable.¹⁸²

Proposed Changes

Section 20 amends s. 203.01(1)(a)1., F.S., to specify that the 2.5 percent gross receipts tax is imposed on gross receipts from utility services that are delivered to an owner or operator of an electric vehicle charging station as defined in s. 366.94(2), F.S. It also specifies that, except as provided, such tax is not imposed on the retail sale of electricity pursuant to s. 212.0516, F.S.

Section 20 provides that an owner or operator of an electric vehicle charging station that produces electrical energy for the provision of electricity to a consumer at an electric vehicle charging station is directly liable to the state for the 2.5 percent gross receipts tax and must register with the DOR to remit such tax. The amount of tax owed shall be equal to the cost price, as defined in s. 212.02, F.S. of such electricity, times the 2.5 percent gross receipts rate.

Section 20 specifies that possession by a distribution company of an affidavit from the owner or operator of an electric vehicle charging station, pursuant to s. 212.0516, F.S., relieves the distribution company from the responsibility of collecting the 2.6 percent gross receipts tax and the 4.35 percent sales tax and the DOR shall look solely to the owner or operator of the electric vehicle charging station for recovery of such taxes.

Section 20 also makes conforming changes.

Section 21 amends s. 203.012, F.S., to specify that the term “distribution company” does not include a person who owns or operates an electric vehicle charging station that purchases electricity for resale under s. 212.0516, F.S., and does not produce electrical energy for the provision of electricity to a consumer at an electric vehicle charging station.

Section 23 amends s. 212.05, F.S., to provide that the tax rate for the provision of electric vehicle charging pursuant to s. 212.0516, F.S., is 4.35 percent. Charges for the provision of electric vehicle charging do not include taxes imposed under ss. 166.231 and 203.01(1)(a)3, F.S.

Section 24 creates 212.0516, F.S. to provide a framework for the taxation of electricity at an electric vehicle charging station.

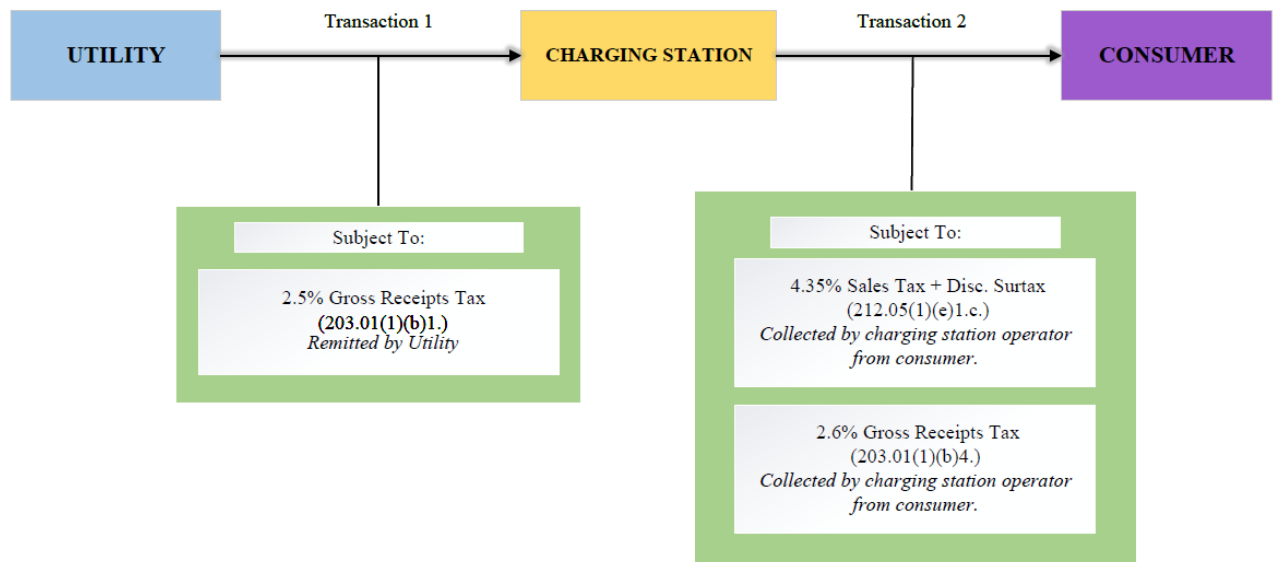
Notwithstanding any law to the contrary, and for purposes of chapter 212, the provision of electricity to a consumer at an electric vehicle charging station shall be considered the retail sale of electricity and is subject to the 2.6 percent gross receipts tax and the 4.35 percent sales tax, for

¹⁸¹ Section 212.02(14)(c), F.S.

¹⁸² Section 212.02(14)(c), F.S.

the combined rate of 6.95 percent. Purchases of electricity for the provision of electricity to a consumer at an electric vehicle charging station may be made for resale and include up to 105 percent of the amount of electricity that goes into the storage batteries of an electric vehicle. These tax levied on charges for electrical power or energy are in addition to any other tax or fee levied on the sale of electricity and shall be remitted as prescribed by law by the electric vehicle charging station.

When taken into account with the amendments made to the 2.5 percent gross receipts tax, the framework for the taxation of the provision of electric vehicle charging is as shown in the flowchart below, with exceptions specified in statute:



Additionally, the owner or operator of an electric vehicle charging station shall keep records of the quantity of electricity purchased, created, or generated, if applicable, and the quantity of electricity that went into the storage batteries of an electric vehicle in the same manner as other pertinent records and papers required to be held under s. 213.35, F.S.

The owner or operator of the electric vehicle charging station shall furnish a seller of electricity with an affidavit, on a form prescribed by the DOR, attesting to the quantity of electricity purchased for resale, pursuant to this section, and other information as required by the DOR. Any person that furnishes a false affidavit to a seller for the purpose of evading payment of any tax imposed under this chapter shall be subject to the penalties set forth in s. 212.085, F.S., and as otherwise provided by law.

Possession by a seller of an affidavit furnished pursuant to this subsection relieves the seller of the responsibility of collecting the tax on the sale of the electricity for which a resale is made, and the DOR shall look solely to the owner or operator for recovery of the tax if it determines that the owner or operator purchased electricity that was not resold.

This section applies only to persons engaged in the business of providing electric vehicle charging to consumers and does not include any individual, business, or governmental entity that provides electric vehicle charging for their own vehicles.

This section may not be construed to affect the regulation of electric vehicle charging or electric vehicle chargers for any purpose other than for the administration of the legal incidence of taxation.

The DOR may adopt rules necessary to administer the provisions of this section, including requiring such information as it may deem necessary to ensure that the taxes levied are properly collected and remitted.

Sections 43 and 44 provide reenactments of provisions as necessary to implement the changes for the provision of electric vehicle charging.

Section 61 provides the DOR with emergency rulemaking authority to implement these provisions.

The sections for the provision of electric vehicle charging take effect October 1, 2026.

Sections 25 and 61 –Sales Tax Exemption from Admissions to Certain Tennis Tournaments

Present Situation

Admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament are subject to sales tax.

Proposed Changes

Section 22 amends s. 212.04, F.S., to exempt from sales tax admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament. This exemption is for 3 years and expires on July 1, 2029.

Section 61 provides the DOR with emergency rulemaking authority to implement these provisions.

Sections 25 and 61 – Sales Tax Exemptions for State University Contractors and Liquified Petroleum Gas Tanks Exemption

Present Situation

State University Contractors

Sales of tangible personal property made to contractors of state universities are subject to sales and use tax.

State universities are identified in s. 1000.21(9), F.S., as, except as otherwise specifically provided, including the following institutions and any branch campuses, centers, or other affiliates of the institution:

- The University of Florida
- The Florida State University
- The Florida Agricultural and Mechanical University
- The University of South Florida
- The Florida Atlantic University
- The University of West Florida
- The University of Central Florida
- The University of North Florida
- The Florida International University
- The Florida Gulf Coast University
- New College of Florida
- The Florida Polytechnic University

Liquefied Petroleum Gas Tanks

Portable tanks for butane gas, propane gas, natural gas, and other types of liquefied petroleum gases are subject to sales and use tax.

The 2024 disaster preparedness sales tax holiday exempted a gas or diesel fuel tank with a sales price of \$50 or less. This included any gas or diesel fuel container, including LP gas and kerosene containers.¹⁸³ Effective August 1, 2025, Florida enacted a permanent sales tax exemption for portable gas or diesel fuel cans with a capacity of 5 gallons or less. However, tanks for butane gas, propane gas, natural gas, and other types of liquefied petroleum gases remain subject to sales and use tax.

Proposed Changes

Section 25 amends 212.08(6), F.S., to provide that, notwithstanding any other provision chapter 212, sales of tangible personal property made to contractors employed directly to or as agents of a state university as identified in s. 1000.21(9), F.S. are exempt from sales and use tax when such tangible personal property goes into or becomes part of public works owned by such state university.

This exemption inures to the state university at the time the tangible personal property goes into or becomes part of the public works, but only through a refund of previously paid taxes. Such refund must be made within 30 days of formal approval by the DOR of the taxpayer's application.

To receive a refund, a state university must file an application with the DOR on a quarterly basis. The application must include:

- The name and address of the state university claiming the refund.
- The identity of the state university public works project or projects.

¹⁸³ Florida Department of Revenue, *Tax Information Publication, 2024 Disaster Preparedness Sales Tax Holidays June 1, 2024 Through June 14, 2024 and August 24, 2024 Through September 6, 2024*, available at https://floridarevenue.com/taxes/tips/Documents/TIP_24A01-04.pdf (last visited Feb. 19, 2026).

- The name and address of each contractor that manufactured or purchased tangible personal property for installation in the public works project or projects for which a refund of tax paid is being requested.
- A copy of the state university's exemption certificate.
- The total amount of the requested refund of tax paid, including copies of each invoice evidencing the purchase of tangible personal property that was installed or became a part of the public works project or projects and the payment of tax on such tangible personal property.

The DOR shall adopt rules governing the manner and form of refund applications and may establish guidelines as to the requisites for an affirmative showing of qualification for exemption and refund of tax under this paragraph. The state university must file the refund application under oath affirming that it will comply with the specified requirements and the rules in order to qualify for the exemption and that it acknowledges its liability for any tax, penalty, or interest for tax refunded to the university which was later determined by the DOR to be owed on such transactions.

Section 25 also amends section 212.08(7), F.S., to exempt portable tanks for butane gas, propane gas, natural gas, or all other types of liquefied petroleum gases with a capacity of 20 pounds or less from Florida sales and use tax.

Section 61 provides the DOR with authorization to adopt emergency rules to implement these provisions.

Section 28, 61, and 62 – Rural Community Investment Program (RCIP) Tax Credit Value

Present Situation

In 2025, the Legislature established the Rural Community Investment Program (RCIP).¹⁸⁴ The RCIP provides certain taxpayers with a tax credit against corporate income tax or insurance premium tax¹⁸⁵ for investment in certain rural communities.¹⁸⁶ The tax credit cap amount is \$7 million in each state fiscal year and the Department of Commerce may not approve a cumulative amount of tax credits which may result in the claim of more than \$35 million in tax credits during the existence of the program.¹⁸⁷ The Department of Commerce may not accept any new applications for the RCIP after December 1, 2029.¹⁸⁸

The RCIP provides a tax credit equal to 25 percent of the investor's contribution.¹⁸⁹¹⁹⁰

¹⁸⁴ Section 288.062, F.S.

¹⁸⁵ Section 288.062(2)(l) and (6)(a), F.S.

¹⁸⁶ The term "rural community" means a rural community as defined in s. 288.0656 or a designated rural area of opportunity as defined in s. 288.0656(2). See s. 288.062(2)(j), F.S.

¹⁸⁷ Section 288.062(4)(c), F.S.

¹⁸⁸ Section 288.062(14), F.S.

¹⁸⁹ Section 288.062 (5), F.S.

¹⁹⁰ The term "investor contribution" means a cash investment in a rural fund. The cash investment must be used to purchase an equity interest in the rural fund or to purchase at par value or premium a debt instrument that has a maturity date at least 5 years after the credit certification date and a repayment schedule that is no greater than level principal amortization over 5 years. See s. 288.062(2)(g), F.S.

Proposed Changes

Section 28 amends s. 288.062, F.S., to increase the credit percentage from 25 percent of the investor's contribution to 50 percent.

Sections 61 and 62 provide the DOR and the Department of Commerce with emergency rulemaking authority to implement these provisions.

Sections 29, 33, 34, and 35 - Net-zero Policies by Governmental Entities

Present Situation

Greenhouse gases trap heat in the atmosphere and warm the surface of the earth. There is broad scientific consensus that if the accumulation of greenhouse gases in the atmosphere continues, the risk of more severe climate impacts will increase,¹⁹¹ including biodiversity loss, threats to human health, reduced food and water security, and more frequent and severe extreme weather events.¹⁹² Every additional degree of warming will intensify multiple and concurrent hazards.¹⁹³ Near-term actions that limit warming to close to 1.5 degrees Celsius would be expected to substantially reduce projected losses and damages to human systems and ecosystems related to climate change.¹⁹⁴

Mechanisms used to achieve emissions reductions include net-zero policies, carbon taxes, carbon emissions trading programs, and other green initiatives.

Net-Zero

“Net-zero” refers to a scenario where human-caused greenhouse gas emissions from sources such as fossil fuel combustion and deforestation are offset by carbon dioxide (CO₂) removal from the atmosphere.¹⁹⁵

When the amount of CO₂ emitted is equal to the amount of CO₂ removed from the atmosphere, there is no net increase of CO₂ in the atmosphere.¹⁹⁶ This balance is referred to as net-zero CO₂. However, CO₂ is not the only greenhouse gas that contributes to climate change. Human activities also emit other greenhouse gases, including methane, nitrous oxide, and hydrofluorocarbons, all of which contribute to warming. To compare the climate impacts of different greenhouse gases, their warming effects are commonly expressed relative to CO₂ using a metric known as “CO₂ equivalent.”¹⁹⁷

¹⁹¹ U.S. Congressional Research Service, *Climate Change: What Are Net-Zero Emissions?*, 1 (2024), available at <https://www.congress.gov/crs-product/IF12753>.

¹⁹² See Intergovernmental Panel on Climate Change (IPCC), *Synthesis Report of the IPCC Sixth Assessment Report (AR6): Summary for Policymakers*, 4-18 (2023), available at https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf. See generally Levent Kutlu, *Greenhouse Gas Emission Efficiencies of World Countries*, 1 (2020), available at <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7728308/pdf/ijerph-17-08771.pdf>.

¹⁹³ IPCC, *AR6 Summary for Policymakers* at 12.

¹⁹⁴ *Id.*

¹⁹⁵ U.S. Congressional Research Service, *Climate Change: What Are Net-Zero Emissions?* at 1.

¹⁹⁶ *Id.*

¹⁹⁷ *Id.*

Net-zero greenhouse gas emissions means the combined net emissions of all greenhouse gases, expressed in CO₂ equivalents, equal zero.¹⁹⁸ However, because there are currently no commercially available methods to remove non-CO₂ greenhouse gases from the atmosphere, achieving net-zero greenhouse gases emissions requires additional removal of CO₂ to counterbalance emissions of other greenhouse gases.¹⁹⁹ Net-zero greenhouse gas emissions is therefore achieved when total greenhouse gas emissions, measured in CO₂ equivalents, are offset by CO₂ removal from the atmosphere. Methods of CO₂ removal include natural absorption and storage in forests and other ecosystems as well as technological removal and storage.²⁰⁰

An increasing number of countries, cities, businesses, and institutions are pledging to achieve net-zero emissions.²⁰¹ These net-zero initiatives include objectives such as transitioning to electric fleet vehicles, encouraging utilization of electric bikes and scooters, increasing greenspaces, installing solar panels on public buildings or parking structures, and requiring energy efficient standards for buildings.²⁰²

Carbon Taxes and Carbon Emissions Trading Programs

Carbon pricing is a fee on each unit of CO₂ or other greenhouse gas emissions released into the atmosphere. There are two primary methods of pricing carbon: carbon taxes and carbon emissions programs like cap-and-trade programs.²⁰³ A carbon tax directly sets a price per unit of emissions, requiring companies to pay a fee based on the amount of greenhouse gases they emit.²⁰⁴ The price is usually expressed as a monetary unit per ton of CO₂ equivalent.²⁰⁵

In a cap-and-trade system, a government entity or other authority sets an emissions cap and issues a fixed quantity of emission allowances.²⁰⁶ Covered entities must hold sufficient allowances to account for the greenhouse emissions they produce. These entities can buy and sell allowances from each other based on their need. This supply and demand dynamic establishes a

¹⁹⁸ *Id.*

¹⁹⁹ *Id.*

²⁰⁰ *Id.*

²⁰¹ United Nations (UN), *Net Zero*, <https://www.un.org/en/climatechange/net-zero-coalition> (last visited Jan. 21, 2026).

²⁰² See, e.g., City of Miami, *Miami Forever Carbon Neutral: Executive Summary*, 5-6, available at <https://www.miami.gov/files/d4782104-3340-460c-a086-6a466c00a3a1/Miami-Forever-Carbon-Neutral-Executive-Summary.pdf>; City of Fort Lauderdale, *Net Zero Plan*, 8-21 (2025), available at <https://www.fortlauderdale.gov/government/departments-i-z/parks-recreation/sustainability/sustainability-climate-resilience/net-zero>; City of Miramar, *Race to Zero*, <https://www.miramarfl.gov/Departments/Building-Planning-Zoning/Sustainable-Living/Race-to-Zero> (last visited Jan. 22, 2026); City of Boca Raton, *Race to Zero*, <https://www.myboca.us/2192/Race-to-Zero> (last visited Jan. 22, 2026); Broward County, *Broward County Net-Zero Plan*, <https://www.broward.org/Climate/Pages/netzeroplan.aspx> (last visited Jan. 22, 2026).

²⁰³ Columbia University, School of International and Public Affairs, *What You Need to Know About a Federal Carbon Tax in the United States* (2019), <https://www.energypolicy.columbia.edu/publications/what-you-need-to-know-about-a-federal-carbon-tax-in-the-united-states/>.

²⁰⁴ See World Research Institute, *Carbon Tax vs. Cap-and-Trade: What's a Better Policy to Cut Emissions*, <https://www.wri.org/insights/carbon-tax-vs-cap-and-trade-whats-better-policy-cut-emissions> (last visited Jan. 22, 2026).

²⁰⁵ World Bank Group, *State and Trends of Carbon Pricing*, 15 (2024), available at <https://openknowledge.worldbank.org/entities/publication/b0d66765-299c-4fb8-921f-61f6bb979087>.

²⁰⁶ Michigan State University, *State Cap-and-Trade Programs*, 2 (2023), available at https://www.canr.msu.edu/fccp/Uploads/Files/2b.%20Cap%20and%20Trade_FINAL_v2.pdf. See generally EPA, *What is Emissions Trading?*, <https://www.epa.gov/emissions-trading/what-emissions-trading> (last visited Jan. 21, 2026).

market price for carbon.²⁰⁷ Cap-and-trade programs have been implemented in several U.S. jurisdictions.²⁰⁸ For example, the Regional Greenhouse Gas Initiative is a cooperative effort among several participating U.S. states to cap and reduce power sector CO₂ emissions.²⁰⁹ The initiative establishes a regional CO₂ emissions cap, implemented through individual state CO₂ budget trading programs, and requires regulated fossil-fuel-fired power plants to hold allowances equal to their emissions. Allowances are distributed through quarterly regional auctions, with proceeds used by states to support energy efficiency, renewable energy, and other consumer benefit programs.²¹⁰

There are 75 carbon tax and emissions trading schemes in operation worldwide, covering approximately 24 percent of global emissions.²¹¹

Green Initiatives and Sustainability Plans

Many cities and counties throughout Florida have adopted green initiatives and plans to advance environmental sustainability by reducing emissions, conserving resources, and minimizing waste and pollution. For example, Leon County has adopted an Integrated Sustainability Action Plan with the goal of reducing greenhouse gas emissions from county operations by 30 percent by 2030, primarily through energy efficiency in county buildings, fleet electrification and fuel efficiency, waste diversion, sustainable purchasing, and public education on energy efficiency.²¹² The City of Doral's sustainability plan sets a goal of reducing greenhouse gas emissions by 10-15 percent by 2050 through preserving greenspaces, enhancing public transportation, and creating energy efficiency standards for buildings, transportation, and infrastructure.²¹³ Alachua County's Climate Action Plan includes a goal to reduce greenhouse gas emissions by 80 percent by 2050, with objectives that include strengthening food system security, supporting local production, improving energy efficiency and renewable energy use, protecting public health and critical infrastructure, conserving natural and water resources, enhancing waste management, and promoting land-use and transportation strategies that increase climate resilience.²¹⁴

Regional plans such as the Southeast Florida Priority Climate Action Plan establish greenhouse gas emission reduction targets for participating counties and outline strategies to achieve those targets. These strategies include transitioning government fleets to electric alternatives, including work trucks, buses, and refuse vehicles; expanding publicly available electric vehicle charging

²⁰⁷ *Id.*

²⁰⁸ States with cap-and-trade programs include California, Oregon, Washington, and those states participating in the Regional Greenhouse Gas Initiative. Michigan State University, *State Cap-and-Trade Programs* at 7-13.

²⁰⁹ Regional Greenhouse Gas Initiative (RGGI), *Elements of RGGI*, <https://www.rggi.org/program-overview-and-design/elements> (last visited Jan. 21, 2026). Participating states include Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. *Id.*

²¹⁰ *Id.*

²¹¹ World Bank Group, *State and Trends of Carbon Pricing*, 9, 18, 22 (2024), available at <https://openknowledge.worldbank.org/entities/publication/b0d66765-299c-4fb8-921f-61f6bb979087>.

²¹² Leon County, *Integrated Sustainability Action Plan*, 5-24 (2019), available at <https://cms.leoncountyfl.gov/Portals/0/DeptFiles/Sustain/Docs/isap.pdf>.

²¹³ City of Doral, *Resolution No. 24-222, Ex. A* (2024), available at <https://www.cityofdoral.com/files/assets/city/v/1/city-hall/city-clerk/resolutions-archived/2024/res.-no.-24-222-adoption-citywide-integrated-sustainability-plan-cisp.pdf>.

²¹⁴ Alachua County, *Climate Action Plan*, 2-3, 15-189 (2025), available at https://www.alachuacounty.us/Depts/epd/Documents/ADACompliant/Alachua-County-Climate-Action-Plan_Final_29Oct25.pdf.

infrastructure; increasing public transit ridership; leveraging existing residential programs that reduce greenhouse gas emissions through building improvements; promoting commercial equipment and building upgrades; and diverting organic waste from landfills, among other measures.²¹⁵

These initiatives often include a mix of planning commitments, regulatory measures, voluntary programs, and investments in renewable energy, energy efficiency, and waste diversion.

Paris Agreement

Goals for global temperature stabilization have been set by the Paris Agreement. The Paris Agreement is an international treaty to strengthen the global response to the threat of climate change, including through the reduction of greenhouse gas emissions.²¹⁶ The Agreement was adopted by 195 parties at the United Nations Climate Change Conference in Paris on December 12, 2015, and entered into force on November 4, 2016.²¹⁷

The Paris Agreement's goal is to hold the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels.²¹⁸ The Agreement does not include mandatory targets or timetables for parties to reduce their emissions. Instead, parties to the Agreement submit nationally determined contributions (NDCs) every five years and pursue mitigation measures with the aim of achieving the objectives of such contributions.²¹⁹ In 2024, the U.S. announced an updated NDC establishing an economy-wide target of reducing its net greenhouse gas emissions by 61-66 percent below 2005 levels in 2035.²²⁰

The U.S. joined the Paris Agreement in September 2016²²¹ but subsequently withdrew twice.²²² Researchers using varying techniques and different assumptions have found differing potential

²¹⁵ Southeast Florida Regional Climate Change Compact, *Southeast Florida Priority Climate Action Plan*, 27-46 (2024), available at https://southeastfloridacclimatecompact.org/wp-content/uploads/2024/03/Southeast-Florida-Priority-Climate-Action-Plan_Final2024.pdf. The Southeast Florida Regional Climate Change Compact is a partnership between Broward, Miami-Dade, Monroe, and Palm Beach counties.

²¹⁶ Paris Agreement to the United Nations Framework Convention on Climate Change (UNFCCC), art. 2 (Dec. 12, 2015), T.I.A.S. No. 16-1104, available at https://unfccc.int/sites/default/files/english_paris_agreement.pdf. The Paris Agreement is part of the UNFCCC, a framework established in 1992 for coordinated global action to address climate change. UN Climate Change (UNCC), *The Convention*, <https://unfccc.int/resource/bigpicture/> (last visited Jan. 21, 2026).

²¹⁷ See UNCC, *The Paris Agreement*, <https://unfccc.int/process-and-meetings/the-paris-agreement> (last visited Jan. 21, 2026).

²¹⁸ UNFCCC Paris Agreement, art. 2.1.

²¹⁹ UNFCCC Paris Agreement, art. 4.2, 4.9.

²²⁰ UNFCCC, *The United States of America—Nationally Determined Contribution*, 2 (2024), available at <https://unfccc.int/sites/default/files/2024-12/United%20States%202035%20NDC.pdf>. The U.S. met and surpassed its 2020 target of net economy-wide emissions reductions in the range of 17 percent below 2005 levels, its initial Paris Agreement target set in 2015. *Id.* at 3.

²²¹ UN Treaty Collection, Chapter XXVII: Environment, 7.d, Paris Agreement (Sept. 3, 2016), available at <https://treaties.un.org/doc/Publication/CN/2016/CN.612.2016-Eng.pdf>.

²²² On November 4, 2019, the U.S. formally notified the UN Secretary General of its withdrawal. U.S. Department of State, *On the U.S. Withdrawal from the Paris Agreement*, <https://2017-2021.state.gov/on-the-u-s-withdrawal-from-the-paris-agreement/>. The withdrawal took effect on November 4, 2020, pursuant to article 28 of the Paris Agreement, which states that withdrawal takes effect one year after notification of withdrawal. See UNFCCC Paris Agreement, art. 28.2. The U.S. rejoined the Agreement on February 19, 2021. U.S. Department of State, *The United States Officially Rejoins the Paris Agreement*, <https://2021-2025.state.gov/the-united-states-officially-rejoins-the-paris-agreement/>. On January 20, 2025, President Trump issued an executive order directing the withdrawal from the Agreement. 90 Fed. Reg. 8455 (Jan. 30, 2025).

effects on the U.S. economy and global emissions as a result of withdrawal from the Paris Agreement.²²³

Florida's Energy Policy

The purpose of the state's energy policy is to ensure an adequate, reliable, and cost-effective supply of energy for the state in a manner that promotes the health and welfare of the public and economic growth.²²⁴ The Legislature intends that governance of the state's energy policy be efficiently directed toward achieving this purpose.²²⁵ The state's energy policy is guided by the following goals:

- Ensuring a cost-effective and affordable energy supply.
- Ensuring adequate supply and capacity.
- Ensuring a secure, resilient, and reliable energy supply, with an emphasis on a diverse supply of domestic energy resources.
- Protecting public safety.
- Protecting the state's natural resources, including its coastlines, tributaries, and waterways.
- Supporting economic growth.²²⁶

In furtherance of the goals, it is the policy of the state to:

- Promote the cost-effective development and use of a diverse supply of domestic energy resources in the state and discourage energy waste.
- Promote the cost-effective development and maintenance of energy infrastructure that is resilient to natural and manmade threats to the security and reliability of the state's energy supply.
- Reduce reliance on foreign energy resources.
- Include energy reliability and security considerations in all state, regional, and local planning.
- Utilize and manage effectively energy resources used within state agencies.
- Encourage local governments to include energy considerations in all planning and to support their work in promoting energy management programs.
- Include the full participation of citizens in the development and implementation of energy programs.
- Consider in its decisions the energy needs of each economic sector, including residential, industrial, commercial, agricultural, and governmental uses, and reduce those needs whenever possible.
- Promote energy education and the public dissemination of information on energy and its impacts in relation to the state's energy goals.
- Encourage the research, development, demonstration, and application of domestic energy resources, including the use of renewable energy resources.

²²³ U.S. Congressional Research Service, *U.S. Withdrawal from the Paris Agreement: Process and Potential Effects*, 1, 12-16 (2025) available at <https://www.congress.gov/crs-product/R48504>.

²²⁴ Section 377.701(1), F.S.

²²⁵ *Id.*

²²⁶ Section 377.601(2), F.S.

- Consider the impacts of energy-related activities on the state's energy goals, including the whole-life-cycle impacts of any potential energy use choices, so that detrimental effects of these activities are understood and minimized.
- Develop and maintain energy emergency preparedness plans to minimize the effects of an energy shortage within this state.²²⁷

Proposed Changes

Section 29 creates s. 388.817, F.S., to provide a legislative finding that net zero policies, carbon taxes and assessments, and emissions trading programs,²²⁸ are detrimental to this state's energy security and economic interests and inconsistent with the energy policy and the environmental policy of this state.

The bill defines the term “net-zero policy” to mean any policy, program, or initiative designed to achieve a balance between total amount of greenhouse gas²²⁹ emitted into the atmosphere with an equal amount removed from the atmosphere.

The bill provides that a governmental entity²³⁰ may not enact or enforce, or require any person or legal entity to enact or enforce, a resolution, ordinance, rule, code, or policy to support a net zero policy, including as a condition of any contract or agreement between the governmental entity and a third party.

The bill also prohibits a governmental entity from implementing, administering, or enforcing any program or joining any organization that has a policy of:

- Establishing a statewide, regional, or geographic limit or cap on the amount of greenhouse gas emissions that results from the use, production, or consumption of any product or from any activity.
- Requiring or incentivizing a governmental entity or any person in this state to participate in an emissions trading program.

The bill prohibits a governmental entity from using, paying, or distributing public funds²³¹ in any manner that supports, implements, or advances a net zero policy by doing any of the following:

- Providing procurement or purchasing preferences for a product or vendor on the basis that the procurement or purchase of such product or from such vendor will advance or support a net zero policy.

²²⁷ *Id.*

²²⁸ The bill defines the term “emission trading program” to mean any program that establishes a greenhouse gas emission limit for a particular activity and provides for the allocation, auction, sale, or transfer of emissions allowances or credits among pollutant sources as a means of compliance with such limits.

²²⁹ The bill defines the term “greenhouse gas” to mean any of the following gases, or a combination thereof: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride, nitrogen trifluoride.

²³⁰ The bill defines the term “governmental entity” to have the same meaning as in s. 215.985, F.S.: a state, regional, county, municipal, special district, or other political subdivision whether executive, judicial, or legislative, including, but not limited to, a department, division, bureau, commission, authority, district, or agency thereof, or public school, Florida College System institution, state university, or associated board.

²³¹ The bill defines the term “public funds” to mean all moneys under the jurisdiction or control of a governmental entity.

- Providing procurement or purchasing preferences for any goods, including, but not limited to, vehicles, equipment, appliances, or other products, based solely on the types or sources of fuel used by, or used in the production of, such goods.
- Using public funds to pay dues, membership fees, subscription fees, or charitable contributions to any nongovernmental agency or other private organization, including any trade association or organization, that:
 - Adopts a net zero policy;
 - Requires adoption of, or any commitment to support, a net zero policy as a condition of membership or of receiving any benefit of membership; or
 - Uses such funds to advocate for a net zero policy.

The bill prohibits a governmental entity from imposing any charge, including a tax, fee, penalty, offset, or assessment, to advance a net zero policy, including, but not limited to :

- A charge based on the carbon content of a fuel.
- A charge based on the emission of greenhouse gases that results from the use, production, or consumption of any product, service, or activity.
- A charge assessed in connection with an emission trading program.

The bill requires each governmental entity to annually submit to the Department of Revenue an affidavit attesting to compliance with the bill's provisions on prohibited charges.

The bill provides that its restrictions on actions of a governmental entity do not prevent:

- The board of a municipality or governmental entity which owns or operates and directly controls an electric or natural gas utility from passing rules, regulations, or policies governing the utility.
- The Public Service Commission from exercising its powers and duties to regulate public utilities in accordance with applicable law.
- A governmental entity from otherwise exercising its authority as provided by general law, including by implementing energy policies consistent with the energy policies set forth in s. 377.601, F.S. or implementing local and regional air and water pollution control programs consistent with the environmental policies set forth in s. 403.021 F.S.

Section 33 amends s. 125.01, F.S., regarding powers and duties of county governments. The bill provides that county comprehensive plans and zoning and business regulations must comply with this bill. The bill provides that counties may not levy and collect taxes that are prohibited by this bill.

Section 34 amends s. 166.021, F.S., regarding powers of municipalities. Currently, "municipal purpose" is defined as any activity or power which may be exercised by the state or its political subdivisions. The bill specifies that this term does not include the prohibitions listed in this bill.

Section 35 amends s. 166.201, F.S., regarding taxes and charges by municipalities. The bill prohibits a municipality from raising money through taxation and licenses or other charges or fees that are inconsistent with this bill.

Section 30 – Posting of Estimated Property Taxes on Listing Platforms

Present Situation

Property Tax Estimates

Calculating estimated property taxes in Florida requires some key pieces of information²³²: the just value of the parcel, the combined millage rates levied by a county's school and non-school taxing authorities, the applicable exemptions and assessment limits.²³³ While there is no statutory requirement to publish a tax estimator, some property appraisers provide a tool or worksheet to estimate property taxes on their website.²³⁴

Online Real Property Listing Platforms

In 2025, approximately 255,000 homes were sold in the State of Florida²³⁵. Many of these homes were offered for sale on online real property listing platforms. Roughly 51 percent of the homebuyers in the United States found the home they purchased on the internet.²³⁶ Currently, there are many online platforms which list real estate for sale on their website. A number of these websites provide property tax calculators to estimate property taxes.²³⁷ Some, but not all, include a parcel's property tax history and an estimate of property taxes.²³⁸

Disclosure of Ad Valorem Taxes to Prospective Purchasers

Section 689.261, F.S., requires a seller of residential property to provide a disclosure of ad valorem taxes to a prospective purchaser of residential property at or before execution of the contract for sale. The disclosure summary must be included in the contract for sale or attached to the contract for sale²³⁹. If the disclosure summary is not included in the contract for sale, the contract for sale must refer to and incorporate by reference the disclosure summary and include, in prominent language, a statement that the potential purchaser should not execute the contract until he or she has read the disclosure summary required by this section.²⁴⁰ The disclosure summary, whether separate or included in the contract, must be in a form substantially similar to the following²⁴¹:

²³² Florida Department of Revenue, *FAQ Details-how can I calculate my property taxes*, available at floridarevenue.com/faq/Pages/FAQDetails.aspx?FAQID=1663&IsDlg=1 (last visited Jan. 22, 2026).

²³³ Florida Department of Revenue, *Property Tax Information for First-Time Florida Homebuyers*, available at <https://floridarevenue.com/property/Documents/pt107.pdf> (last visited Jan. 22, 2026).

²³⁴ See, e.g., Broward County Property Appraiser, *New Homebuyer's Tax Estimator*, available at [Marty Kiar - Broward County Property Appraiser](#) (last visited Jan. 22, 2026).

²³⁵ Florida Realtors, *Florida Residential Market Sales Activity-2025*, Jan. 16, 2026, available at <https://www.floridarealtors.org/sites/default/files/2026-01/Year-End-2025-Fla-MSA-summary.pdf> (last visited Jan. 21, 2026).

²³⁶ National Ass'n of Realtors, *Quick Real Estate Statistics*, Jul. 7, 2024, available at <https://www.nar.realtor/research-and-statistics/quick-real-estate-statistics> (last visited Jan. 21, 2026).

²³⁷ See e.g., Zillow Property Tax Calculator, <https://www.zillow.com/mortgage-calculator/property-tax-calculator/>

²³⁸ For example, Realtor.com's listings include the listed information, and its mortgage calculator includes estimated property taxes based on the home's value. <https://www.zillowhomeloans.com/calculators/mortgage-calculator/> (last visited Jan. 22, 2026).

²³⁹ See s. 689.261 (1), F.S.

²⁴⁰ See s. 689.261 (2), F.S.

²⁴¹ See s. 689.261 (1), F.S.

PROPERTY TAX
DISCLOSURE SUMMARY

BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

Proposed Changes

Section 30 amends s. 689.261, F.S., to provide new requirements related to online listing platforms' disclosure of estimated property taxes on residential properties. The bill requires that any property that can be viewed on a listing platform must include estimated property taxes for the property. Listing platforms as defined by the bill exclude social media platforms as defined in s. 501.2041, F.S. The bill prohibits the use of current owner's property tax information to calculate estimated property taxes. Instead, the bill requires listing platforms to display estimated property taxes, which must be calculated using one of the two prescribed methods below:

- Estimated property taxes that would be due if the purchaser was taxed based on the listing price of the property and current millage rates applying data provided by the property appraiser to the DOR and a formula published by the DOR.
- Estimated property taxes that would be due if the purchaser was taxed based on the listing price of the property and countywide aggregate average millage rate applying data published by the DOR. The listing platform must include a link to the property appraiser's tax estimator in the county where the property is located or a link to the county property appraiser's website's homepage.

Under either of the prescribed methods, the current owner's and any previous year's property tax information may be displayed only as historical information. Both methods also require the listing platform to include a disclaimer on the same website or application that the millage rates of taxing authorities may vary within a county and that the estimated taxes do not include all non-ad valorem assessments, exemption discounts and other tax benefits, such as assessment limitations.

Alternatively, if property taxes are not estimated using a tax estimator or a buyer payment calculator provided by the online listing platform that uses one of the two prescribed methods in the bill, the listing platform may not display the current owner's property taxes or the previous year's property taxes. Instead, the listing platform must include either a link to the property appraiser's tax estimator in the county where the property is located, or to the county property appraiser's website homepage.

The bill requires the DOR to develop a formula to be used by a listing platform to calculate the estimated property taxes and to develop countywide aggregate average millage rates. The formula and countywide aggregate millage rate developed by the DOR must be published on the

DOR's website by December 15, 2026, and annually thereafter. The bill provides that the DOR maintain a table of links to property appraiser's websites and tax estimators.

The bill requires each property appraiser to provide any information needed to develop the formula including, the county name, tax district code, school district millage rate, and summary millage rate for all other applicable taxing authorities. County property appraisers must also provide the department with any information needed to develop the countywide aggregate average millage rate.

The bill states that there is no liability on the part of, and no cause of action may arise against any person for an inaccurate estimation of property taxes for a property listed on a listing platform. The bill prohibits current owner's property taxes from being included in any printed listing materials concerning a property on a listing platform.

The DOR may adopt rules to implement the provisions of this bill.

These provisions takes effect February 1, 2027.

Sections 31 and 32 – Voted Millage for Charter Schools

Present Situation

A school district is authorized to levy, subject to approval by local referendum or in a general election, additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under the district school tax law, does not exceed the 10-mill limit established in the state constitution. Any such levy must be for a maximum of 4 years and must be counted as part of the 10-mill limit established in the state constitution. For the purpose of distributing taxes collected pursuant to this subsection, the term "school operational purposes" includes charter schools sponsored by a school district.²⁴² Charter schools are tuition free public schools created through an agreement or "charter" that provides flexibility relative to regulations created for traditional public schools.²⁴³

Funds levied under this subsection must be shared with charter schools sponsored by a school district based on each charter school's proportionate share of the district's total unweighted full-time equivalent student enrollment.²⁴⁴ In addition to a school district sponsoring a charter school, a charter school may also be sponsored by any of the following: a state university approved to sponsor certain lab schools, a state university approved by DOE, or a Florida College System institution approved by the DOE.²⁴⁵

Proposed Changes

Section 31 amends s. 1011.71 (9), F.S., to revise the distribution of school taxes collected from a voter approved property tax levy to remove a reference which excludes certain charter schools.

²⁴² Section 1011.71(9), F.S.

²⁴³ Florida Department of Education, *Frequently Asked Questions(Charter Schools)*, available at <https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-faqs.stml> (last visited Feb. 21, 2026).

²⁴⁴ *Id.*

²⁴⁵ Section 1002.33 (5)(a), F.S.

Consequently, all charter schools will become eligible for the distribution of funds, regardless of a charter school's sponsoring entity.

Section 32 provides that the amendments made to s. 1011.71(9), F.S., amending the distribution of taxes collected from certain voted discretionary operating millages levied by school districts, apply to such levies authorized by a vote of the electors on or after July 1, 2026.

Section 60 – Hunting, Fishing, and Camping Sales Tax Holiday – Approximately 3.5 Months – September 7, 2026, through December 31, 2026

Present Situation

The sale of ammunition, firearms, bows, crossbows, and associated accessories is subject to sales and use tax. The sale of fishing and camping supplies is also subject to sales and use tax.

Florida enacted a hunting, fishing, and camping sales tax holiday for approximately 3.5 months from September 8, 2025, through December 31, 2025, for the following items.

Item	Details
Firearms, Ammunition, and Accessories	• Ammunition, which means an object consisting of all of the following: a fixed metallic or nonmetallic hull or casing containing a primer, one or more projectiles, one or more bullets, or shot, and gunpowder • A firearm, which means a weapon capable of firing a missile and includes a pistol, rifle, or shotgun using an explosive charge as a propellant • Charging handles, cleaning kits, holsters, pistol grips, sights or optics, and stocks. • No price caps
Bows, Crossbows, and Accessories	• A bow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, for the purpose of discharging arrows; which propels arrows only by the energy stored by the drawing of the device; and which is handheld, hand-drawn, and hand-released • A crossbow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, affixed to a stock for the purpose of discharging quarrels, bolts, or arrows; which propels quarrels, bolts, or arrows only by the energy stored by the drawing of the device; and which uses a non-handheld locking mechanism to maintain the device in a drawn or ready-to-discharge condition • Arrows, bolts, quarrels, quivers, releases, sights or optics, and wristguards • No price caps
Camping Supplies	• Tents with a sales price of \$200 or less • Sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less • Camping lanterns and flashlights with a sales price of \$30 or less

Item	Details
Fishing Supplies	- Rods and reels with a sales price of \$75 or less if sold individually, or \$150 or less if sold as a set - Tackle boxes or bags with a sales price of \$30 or less - Bait or fishing tackle with a sales price of \$5 or less if sold individually, or \$10 or less if multiple items are sold together. - Fishing supplies does not include supplies used for commercial fishing purposes

Proposed Changes

Section 60 provides a Hunting, fishing, and camping sales tax holiday for approximately 3.5 months from September 7, 2026, through December 31, 2026. During the holiday, the following items are exempt from the state sales tax and county discretionary sales surtaxes.

- Ammunition, which means an object consisting of all of the following: a fixed metallic or nonmetallic hull or casing containing a primer, one or more projectiles, one or more bullets, or shot, and gunpowder.
- A firearm, which means a weapon capable of firing a missile and includes a pistol, rifle, or shotgun using an explosive charge as a propellant.
- The following firearm accessories: charging handles, cleaning kits, holsters, pistol grips, sights or optics, or stocks.
- A bow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, for the purpose of discharging arrows; which propels arrows only by the energy stored by the drawing of the device; and which is hand-held, hand-drawn, and hand-released.
- A crossbow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, affixed to a stock for the purpose of discharging quarrels, bolts, or arrows; which propels quarrels, bolts, or arrows only by the energy stored by the drawing of the device; and which uses a non-handheld locking mechanism to maintain the device in a drawn or ready-to-discharge condition.
- The following accessories used for bows or crossbows: arrows, bolts, quarrels, quivers, releases, sights or optics, or wristguards.
- Camping supplies, which means tents with a sales price of \$200 or less, sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less, and camping lanterns and flashlights with a sales price of \$30 or less.
- Fishing supplies, which means rods and reels with a sales price of \$75 or less, if sold individually, or \$150 or less, if sold as a set; tackle boxes or bags with a sales price of \$30 or less; and bait or fishing tackle with a sales price of \$10 or less if sold individually, or \$20 or less if multiple items are sold together. Fishing supplies does not include supplies used for commercial fishing purposes.

The DOR is authorized to adopt emergency rules to implement this sales tax holiday.

Section 63 – Effective Date

The bill takes effect July 1, 2026, except as otherwise provided.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs the passage of laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

Article VII, s. 18(b) of the Florida Constitution provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws having an insignificant impact,²⁴⁶ which is \$2.4 million or less for Fiscal Year 2026-2027.²⁴⁷

The bill may reduce the authority for counties and municipalities to raise revenue through property tax, special assessments, and local option surtax by an indeterminate amount. Also, the bill distributes a portion of the state sales tax collections to certain counties. If the bill reduces the authority to raise revenue in the aggregate in an amount that exceeds the threshold for an insignificant impact, the mandates provision of section 18 of Article VII of the Florida Constitution may apply.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s. 19 of the Florida Constitution requires legislation pass each chamber by a 2/3 vote and be contained in a separate bill with no other subject if the legislation imposes, authorizes an imposition, increases, or authorizes an increase in a state tax or fee or if it decreases or eliminates a state tax or fee exemption or credit.

The bill does not affect the imposition or increasing of a state tax or fee nor decreases or eliminates a state tax or fee exemption or credit. Thus, the constitutional requirements may not apply.

²⁴⁶ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. See FLA. SENATE COMM. ON COMTY. AFFAIRS, *Interim Report 2012-115: Insignificant Impact*, (Sept. 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Feb. 21, 2026).

²⁴⁷ Based on the Demographic Estimating Conference's estimated population adopted on June 30, 2025, available at <https://edr.state.fl.us/Content/conferences/population/archives/250630demographic.pdf> (last visited Feb. 21, 2026).

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill is estimated by staff to reduce revenues in total by \$80.1 million, which is the sum of \$8.1 million (recurring) and \$72.0 million (pure nonrecurring in Fiscal Year 2026-2027 and reductions resulting from nonrecurring impacts in other years). Total tax reductions are represented by the sum of the recurring impacts (reflecting the annual value of permanent tax cuts when fully implemented) and the pure nonrecurring impacts (reflecting temporary tax reductions).

The bill reduces revenues in Fiscal Year 2026-2027 by \$55.7 million (\$8.1 million recurring); General Revenue Fund receipts by \$89.0 million (\$50.3 million recurring); state trust fund receipts are reduced by an indeterminate amount; and local government revenue is increased by \$33.3 million (\$42.2 million recurring), as displayed in the table below. The Revenue Estimating Conference has not yet reviewed provisions relating to electric vehicle charging, VAB appeals, children's councils, inheritance of homestead property, missing middle opt-out, interest on refunds, and the clarification of a period to contest an assessment, therefore these estimates may change.

FY 2026-27 TAXATION	CS/SB 7046							
	General Revenue		State Trust Funds		Local/Other		Total	
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
<u>Sales and Use Tax</u>								
Florida hunting, fishing, and camping sales tax holiday - Sept. 7 - Dec. 31, 2026	(30.3)	-	(*)	-	(8.6)	-	(38.9)	-
Exempt portable tanks for LP gas - 20 lbs or less	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
State university public works contracts	**	-	**	-	**	-	**	-
Exempt admission to certain tennis tournaments - 3-yrs	(8.4)	-	(*)	-	(2.4)	-	(10.8)	-
Provision of electric vehicle charging	-	-	-	-	-	-	-	-
<u>Sales Tax/CST</u>								
Fiscally constrained counties distribution change	(50.3)	(50.3)	-	-	50.3	50.3	-	-
<u>Ad Valorem</u>								
VAB appeals - timely filed property returns	-	-	-	-	-	-	-	-
Homestead exemption - surviving spouse transfer	-	-	-	-	(*)	(0.3)	(*)	(0.3)
Charter schools - voted millage distribution	-	-	-	-	-	-	-	-
Children's councils - tax increment financing exemption	-	-	-	-	-	-	-	-
Maximum millage vote threshold	-	-	-	-	-	-	-	-
Listing platforms	-	-	-	-	-	-	-	-
Inheritance of homestead property	-	-	-	-	-	-	-	-
Deployed servicemembers - operations	-	-	-	-	(6.0)	(7.8)	(6.0)	(7.8)
Missing Middle opt-out report lookback period extension and exemption for property with building permit	-	-	-	-	-	-	-	-
<u>Multiple Taxes</u>								
RCIP credit value increase 25%-50%	-	-	-	-	-	-	-	-
<u>Local Taxes & Assessments</u>								
Limit non-ad valorem assessments at recreational vehicle parks	-	-	-	-	(**)	(**)	(**)	(**)
<u>Other</u>								
Net-zero policies of governmental entities	-	-	-	-	-	-	-	-
Fiscally constrained counties redefined and prescribed uses	-	-	-	-	-	-	-	-
Interest on refunds	-	-	-	-	-	-	-	-
Clarify period to contest an assessment	-	-	-	-	-	-	-	-
2026-27	(89.0)	(50.3)	-	-	33.3	42.2	(55.7)	(8.1)

Non-recurring Impacts After FY 2026-27	General Revenue		State Trust Funds		Local/Other		Total	
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
Exempt admission to certain tennis tournaments - 3-yrs	(17.4)	-	(*)	-	(4.9)	-	(22.3)	-
Total	(17.4)	-	-	-	(4.9)	-	(22.3)	-

Bill Total	(106.4)	(50.3)	-	-	28.4	42.2	(78.0)	(8.1)

* or (*); Impact is positive or negative and less than \$100,000

** or (**); Impact is positive or negative and indeterminate

Pure Nonrecurring	(72.0)
Recurring + Pure Nonrecurring	(80.1)

B. Private Sector Impact:

Taxpayers, both businesses and individuals, will experience tax savings.

C. Government Sector Impact:

Various departments and agencies will need to implement provisions of this bill. This may require the expenditure of funds.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 72.011, 125.0168, 163.387, 166.223, 189.052, 193.155, 194.032, 196.011, 196.031, 196.081, 196.173, 196.1978, 200.065, 203.01, 203.012, 212.04, 212.05, 212.08, 212.20, 218.67, 288.062, 689.261, 1011.71, 125.01, 166.021, 166.201, 212.205, 288.11621, 288.11631, 443.191, 571.26, and 571.265.

This bill reenacts the following sections of the Florida Statutes: 259.042, 203.0011, 212.05(1)(e)1.c; 212.05011, F., 212.05(1)(e)1.c; 125.0104, 193.624, 196.182, 218.12, 218.125, 218.135, 218.136, 252.35, 288.0655, 288.102, 339.2816, 403.064, 403.0741, 589.08, and 1011.62.

This bill creates the following sections of the Florida Statutes: 212.0516 and 377.817.

This bill creates undesignated sections of the Florida law.

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 Appropriations on March 2, 2026:

The committee substitute retains the following provisions from SB 7046:

- Changes to the distribution and definition for fiscally constrained counties.
- The prohibition on counties, municipalities, and special districts from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.
- Changes to the distribution of school taxes collected from a voter approved property tax levy by removing a reference which excludes certain charter schools.
- For sales tax, the permanent exemption for certain liquified petroleum gas tanks and the holiday for certain hunting, fishing, and camping items.

- Changes to tax administration that require taxing authorities that have not levied any millage rate in the prior year to adopt a rate by specified vote thresholds.
- For the Live Local exemption opt-out, the requirement that a taxing authority make a finding that Shimberg's annual reports for each of the 3 previous years, rather than 1 year, identify a surplus of affordable housing.

The committee substitute modifies the following provisions of SB 7046:

- For the Live Local exemption opt-out, the amendment provides that the exemption may be granted to a project that was issued a building permit (rather than final site plan approval) on or after July 1, 2026, for the development of residential units in a multifamily project within 4 years before a taxing authority opted out. The amendment also provides that an ordinance adopted before July 1, 2026, is valid until its expiration. The amendment retains the provision that allows the exemption for each subsequent consecutive year that the same owner or successive owners apply for and are granted the exemption.
- Revises net zero policies and prohibitions for local governments.

The committee substitute adds the following:

- Relating to the property tax homestead exemption, provides that the transfer of homestead property to a lineal descendant is not a change in ownership under certain conditions.
- Provides a tax framework for electricity that is sold by electrical vehicle charging stations. The framework specifies which sales tax and gross receipts rates apply to transactions between a utility and the charging station and also to transactions between the charging station and the consumer. Also provides processes and requirements for collecting and remitting such taxes.
- Requires real estate listing platforms to post estimated property taxes.
- Provides that the amount of a property tax homestead exemption that a surviving spouse may transfer to a new residence may increase up to 120 percent of the exemption.
- Adds additional named military operations to the current list in statute for the property tax exemption for certain deployed servicemembers.
- Provides an exemption from the Redevelopment Trust Fund for special districts that levy ad valorem taxes on real property predominantly to fund children's services.
- Requires value adjustment boards to meet to hear appeals relating to the timely filing of tax returns for tangible personal property.
- Exempts from sales tax admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament for 3 years.
- Creates a refund mechanism for state universities for tangible personal property purchases made by state university contractors when such property goes into or becomes part of public works owned by the state university. Increases the value of the Rural Community Investment Program credit from 25% of the investor's contribution to 50%.

- Provides that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of the refund only if the interest claim is asserted concurrently with the action.
- Specifies that the 60-day period to contest an assessment or a denial that becomes final may not be waived or tolled.
- Amends emergency rulemaking authority for the DOR and adds rulemaking authority for the Department of Commerce.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Effective upon this act becoming a law,
paragraph (a) of subsection (2) of section 72.011, Florida
Statutes, is amended, and paragraph (c) is added to subsection
(1) of that section, to read:

72.011 Jurisdiction of circuit courts in specific tax
matters; administrative hearings and appeals; time for



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commencing action; parties; deposits.—

(1)

(c) A taxpayer may claim interest on a refund that is the subject of an action filed under paragraph (a) contesting an assessment or denial of refund of any tax, fee, surcharge, permit, interest, or penalty only if such claim is asserted concurrently with the action.

(2) (a) An action may not be brought to contest an assessment of any tax, interest, or penalty assessed under a section or chapter specified in subsection (1) more than 60 days after the date the assessment becomes final. An action may not be brought to contest a denial of refund of any tax, interest, or penalty paid under a section or chapter specified in subsection (1) more than 60 days after the date the denial becomes final. The 60-day period to contest an assessment or a denial that becomes final under this subsection may not be waived or tolled.

Section 2. (1) The amendments made by this act to s. 72.011, Florida Statutes, are remedial and clarifying in nature and also apply to actions pending as of the effective date of this section.

(2) This section shall take effect upon this act becoming a law.

Section 3. Effective upon this act becoming a law, section 125.0168, Florida Statutes, is amended to read:

125.0168 Special assessments levied on recreational vehicle parks regulated under chapter 513.—When a county levies a non-ad valorem special assessment on a recreational vehicle park regulated under chapter 513, the non-ad valorem special



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assessment may ~~shall~~ not be based on the assertion that the recreational vehicle park is composed ~~comprised~~ of residential units. Instead, recreational vehicle parks regulated under chapter 513 shall be assessed as a commercial entity in the same manner as a hotel, motel, or other similar facility. A non-ad valorem special assessment levied on a square footage basis may not be levied against more than 400 square feet per recreational vehicle parking space or campsite.

Section 4. Paragraph (c) of subsection (2) of section 163.387, Florida Statutes, is amended to read:

163.387 Redevelopment trust fund.—

(2)

(c) The following public bodies or taxing authorities are exempt from paragraph (a):

1. A special district that levies ad valorem taxes on taxable real property in more than one county.

2. A special district for which the sole available source of revenue the district has the authority to levy is ad valorem taxes at the time an ordinance is adopted under this section. However, revenues or aid that may be dispensed or appropriated to a district as defined in s. 388.011 at the discretion of an entity other than such district shall not be deemed available.

3. A library district, except a library district in a jurisdiction where the community redevelopment agency had validated bonds as of April 30, 1984.

4. A neighborhood improvement district created under the Safe Neighborhoods Act.

5. A metropolitan transportation authority.

6. A water management district created under s. 373.069.



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69 7. For a community redevelopment agency created on or after
70 July 1, 2016, a hospital district that is a special district as
71 defined in s. 189.012.

72 8. A special district that levies ad valorem taxes on real
73 property predominantly to fund children's services pursuant to
74 s. 125.901 or other legislative acts.

75 Section 5. Effective upon this act becoming a law, section
76 166.223, Florida Statutes, is amended to read:

77 166.223 Special assessments levied on recreational vehicle
78 parks regulated under chapter 513.—When a municipality levies a
79 non-ad valorem special assessment on a recreational vehicle park
80 regulated under chapter 513, the non-ad valorem special
81 assessment may ~~shall~~ not be based on the assertion that the
82 recreational vehicle park is composed ~~comprised~~ of residential
83 units. Instead, recreational vehicle parks regulated under
84 chapter 513 shall be assessed as a commercial entity in the same
85 manner as a hotel, motel, or other similar facility. A non-ad
86 valorem special assessment levied on a square footage basis may
87 not be levied against more than 400 square feet per recreational
88 vehicle parking space or campsite.

89 Section 6. Effective upon this act becoming a law, section
90 189.052, Florida Statutes, is amended to read:

91 189.052 Assessments levied on facilities regulated under
92 chapter 513.—When an independent or dependent special district
93 levies an assessment on a facility regulated under chapter 513,
94 the assessment may ~~shall~~ not be based on the assertion that the
95 facility is composed ~~comprised~~ of residential units. Instead,
96 facilities regulated under chapter 513 shall be assessed in the
97 same manner as a hotel, motel, or other similar facility. An



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assessment levied on a square footage basis may not be levied
against more than 400 square feet per recreational vehicle
parking space or campsite.

Section 7. (1) The amendments made by this act to ss.
125.0168, 166.223, and 189.052, Florida Statutes, first apply to
the 2026 assessment roll.

(2) This section shall take effect upon this act becoming a
law.

Section 8. Paragraph (a) of subsection (3) and paragraph
(b) of subsection (10) of section 193.155, Florida Statutes, are
amended to read:

193.155 Homestead assessments.—Homestead property shall be
assessed at just value as of January 1, 1994. Property receiving
the homestead exemption after January 1, 1994, shall be assessed
at just value as of January 1 of the year in which the property
receives the exemption unless the provisions of subsection (8)
apply.

(3)(a) Except as provided in this subsection or subsection
(8), property assessed under this section shall be assessed at
just value as of January 1 of the year following a change of
ownership. Thereafter, the annual changes in the assessed value
of the property are subject to the limitations in subsections
(1) and (2). For the purpose of this section, a change of
ownership means any sale, foreclosure, or transfer of legal
title or beneficial title in equity to any person, except if any
of the following apply:

1. Subsequent to the change or transfer, the same person is
entitled to the homestead exemption as was previously entitled
and:



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- 127 a. The transfer of title is to correct an error;
- 128 b. The transfer is between legal and equitable title or
129 equitable and equitable title and no additional person applies
130 for a homestead exemption on the property;
- 131 c. The change or transfer is by means of an instrument in
132 which the owner is listed as both grantor and grantee of the
133 real property and one or more other individuals are additionally
134 named as grantee. However, if any individual who is additionally
135 named as a grantee applies for a homestead exemption on the
136 property, the application is considered a change of ownership;
- 137 d. The change or transfer is by means of an instrument in
138 which the owner entitled to the homestead exemption is listed as
139 both grantor and grantee of the real property and one or more
140 other individuals, all of whom held title as joint tenants with
141 rights of survivorship with the owner, are named only as
142 grantors and are removed from the title; or
- 143 e. The person is a lessee entitled to the homestead
144 exemption under s. 196.041(1);
- 145 2. Legal or equitable title is changed or transferred
146 between husband and wife, including a change or transfer to a
147 surviving spouse or a transfer due to a dissolution of marriage;
- 148 3. The transfer occurs by operation of law to the surviving
149 spouse or minor child or children under s. 732.401;
- 150 4. Upon the death of the owner, the transfer is between the
151 owner and another who is a permanent resident and who is legally
152 or naturally dependent upon the owner; ~~or~~
- 153 5. The transfer occurs with respect to a property where all
154 of the following apply:
- 155 a. Multiple owners hold title as joint tenants with rights



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of survivorship;

b. One or more owners were entitled to and received the homestead exemption on the property;

c. The death of one or more owners occurs; and

d. Subsequent to the transfer, the surviving owner or owners previously entitled to and receiving the homestead exemption continue to be entitled to and receive the homestead exemption; or

6.a. Upon the death of the owner, the transfer meets all of the following conditions:

(I) The owner held legal or equitable title to the property and was entitled to and received the homestead exemption at the time of death.

(II) The property is devised by a will to only one lineal descendant of the owner, as these terms are defined in s. 731.201.

(III) A lineal descendant makes the property his or her homestead as of the second January 1 after the death of the owner.

(IV) The lineal descendant files with the property appraiser proof of his or her entitlement to continue the decedent's assessment by refiling and updating the homestead application under s. 196.011. The decedent's certificate of death, a certified copy of the decedent's will, a certified copy of the order admitting that will to probate, and an affidavit that the lineal descendant has inherited the real property through that will, must be submitted with the application. Submitting the documents required herein is prima facie evidence of entitlement. If the lineal descendant has a prior homestead,



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the filing of proof is deemed to be an abandonment of his or her prior homestead property as of the date of the owner's death.

b. This subparagraph may not be construed to establish homestead property for a descendant who is not otherwise entitled. Subsection (8) may not be applied to a property transferred pursuant to this subparagraph.

(10)

(b) If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission or on property deemed abandoned under subparagraph (3)(a)6., the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest. Back taxes shall apply only as follows:

1. If the person who received the limitation as a result of a clerical mistake or omission or on property deemed abandoned under subparagraph (3)(a)6. voluntarily discloses to the property appraiser that he or she was not entitled to the limitation before the property appraiser notifies the owner of the mistake or omission, no back taxes shall be due.

2. If the person who received the limitation as a result of a clerical mistake or omission or on property deemed abandoned under subparagraph (3)(a)6. does not voluntarily disclose to the property appraiser that he or she was not entitled to the limitation before the property appraiser notifies the owner of the mistake or omission, back taxes shall be due for any year or years that the owner was not entitled to the limitation within the 5 years before the property appraiser notified the owner of the mistake or omission.

3. The property appraiser shall serve upon an owner that



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owes back taxes under subparagraph 2. a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person in the county, and such property must be identified in the notice of tax lien. The property appraiser must include with such notice information explaining why the owner is not entitled to the limitation, the years for which unpaid taxes are due, and the manner in which unpaid taxes have been calculated. Before a lien may be filed, the person or entity so notified must be given 30 days to pay the taxes.

Section 9. Effective January 1, 2027, paragraph (a) of subsection (1) of section 194.032, Florida Statutes, is amended to read:

194.032 Hearing purposes; timetable.—

(1)(a) The value adjustment board shall meet not earlier than 30 days and not later than 60 days after the mailing of the notice provided in s. 194.011(1); however, no board hearing shall be held before approval of all or any part of the assessment rolls by the Department of Revenue. The board shall meet for the following purposes:

1. Hearing petitions relating to assessments filed pursuant to s. 194.011(3).

2. Hearing complaints relating to homestead exemptions as provided for under s. 196.151.

3. Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications under s. 196.011.

4. Hearing appeals concerning ad valorem tax deferrals and classifications.



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5. Hearing appeals from determinations that a change of ownership under s. 193.155(3), a change of ownership or control under s. 193.1554(5) or s. 193.1555(5), or a qualifying improvement under s. 193.1555(5) has occurred.

6. Hearing appeals relating to timely filing of tax returns as required in s. 194.034(1)(j).

Section 10. Paragraph (b) of subsection (10) of section 196.011, Florida Statutes, is amended to read:

196.011 Annual application required for exemption.—
(10)

(b) If a homestead exemption is granted as a result of a clerical mistake or omission by the property appraiser or granted on property deemed abandoned under subparagraph (3)(a)6., the taxpayer may not be assessed a penalty or interest. Back taxes shall apply only as follows:

1. If the person who received the homestead exemption as a result of a clerical mistake or omission or on property deemed abandoned under subparagraph (3)(a)6. voluntarily discloses to the property appraiser that he or she was not entitled to the homestead exemption before the property appraiser notifies the owner of the mistake or omission, no back taxes shall be due.

2. If the person who received the homestead exemption as a result of a clerical mistake or omission or on property deemed abandoned under subparagraph (3)(a)6. does not voluntarily disclose to the property appraiser that he or she was not entitled to the homestead exemption before the property appraiser notifies the owner of the mistake or omission, back taxes shall be due for any year or years that the owner was not entitled to the homestead exemption ~~limitation~~ within the 5



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years before the property appraiser notified the owner of the mistake or omission.

3. The property appraiser shall serve upon an owner that owes back taxes under subparagraph 2. a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person in the county, and such property must be identified in the notice of tax lien. The property appraiser must include with such notice information explaining why the owner is not entitled to the homestead exemption limitation, the years for which unpaid taxes are due, and the manner in which unpaid taxes have been calculated. Before a lien may be filed, the person or entity so notified must be given 30 days to pay the taxes.

Section 11. Paragraph (a) of subsection (1) of section 196.031, Florida Statutes, is amended to read:

196.031 Exemption of homesteads.—

(1)(a) A person who, on January 1, has the legal title or beneficial title in equity to real property in this state and who in good faith makes the property his or her permanent residence or the permanent residence of another or others legally or naturally dependent upon him or her, is entitled to an exemption from all taxation, except for assessments for special benefits, up to the assessed valuation of \$25,000 on the residence and contiguous real property, as defined in s. 6, Art. VII of the State Constitution. Such title may be held by the entirety, jointly, or in common with others, and the exemption may be apportioned among such of the owners as reside thereon, as their respective interests appear. If only one of the owners of an estate held by the entirety or held jointly with the



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right of survivorship or an owner who inherited an interest in the property resides on the property, that owner is allowed an exemption of up to the assessed valuation of \$25,000 on the residence and contiguous real property. However, an exemption of more than \$25,000 is not allowed to any one person or on any one dwelling house, except that an exemption up to the assessed valuation of \$25,000 may be allowed on each apartment or mobile home occupied by a tenant-stockholder or member of a cooperative corporation and on each condominium parcel occupied by its owner. Except for owners of an estate held by the entirety or held jointly with the right of survivorship or an interest inherited by a descendant, the amount of the exemption may not exceed the proportionate assessed valuation of all owners who reside on the property. Before such exemption may be granted, the deed or instrument must ~~shall~~ be recorded in the official records of the county in which the property is located. The property appraiser may request the applicant to provide additional ownership documents to establish title.

Section 12. The amendments made by this act to ss. 193.155, 196.011, and 196.031, Florida Statutes, first apply to the 2027 property tax roll.

Section 13. Subsection (3), paragraph (b) of subsection (4), and paragraph (b) of subsection (6) of section 196.081, Florida Statutes, are amended to read:

196.081 Exemption for certain permanently and totally disabled veterans and for surviving spouses of veterans; exemption for surviving spouses of first responders who die in the line of duty.—

(3) If the totally and permanently disabled veteran



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predeceases his or her spouse and if, upon the death of the veteran, the spouse holds the legal or beneficial title to the homestead and permanently resides thereon as specified in s. 196.031, the exemption from taxation carries over to the benefit of the veteran's spouse until such time as he or she remarries or sells or otherwise disposes of the property. If the spouse sells the property, the spouse may transfer an exemption not to exceed 120 percent of the amount granted from the most recent ad valorem tax roll to his or her new residence, as long as it is used as his or her primary residence and he or she does not remarry.

(4) Any real estate that is owned and used as a homestead by the surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces and for whom a letter from the United States Government or United States Department of Veterans Affairs or its predecessor has been issued certifying that the veteran who died from service-connected causes while on active duty is exempt from taxation.

(b) The tax exemption carries over to the benefit of the veteran's surviving spouse as long as the spouse holds the legal or beneficial title to the homestead, permanently resides thereon as specified in s. 196.031, and does not remarry. If the surviving spouse sells the property, the spouse may transfer an exemption not to exceed 120 percent of the amount granted under the most recent ad valorem tax roll to his or her new residence as long as it is used as his or her primary residence and he or she does not remarry.

(6) Any real estate that is owned and used as a homestead



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by the surviving spouse of a first responder who died in the line of duty while employed by the United States Government, the state, or any political subdivision of the state, including authorities and special districts, and for whom a letter from the United States Government, the state, or appropriate political subdivision of the state, or other authority or special district, has been issued which legally recognizes and certifies that the first responder died in the line of duty while employed as a first responder is exempt from taxation.

(b) The tax exemption applies as long as the surviving spouse holds the legal or beneficial title to the homestead, permanently resides thereon as specified in s. 196.031, and does not remarry. If the surviving spouse sells the property, the spouse may transfer an exemption not to exceed 120 percent of the amount granted under the most recent ad valorem tax roll to his or her new residence if it is used as his or her primary residence and he or she does not remarry.

Section 14. Effective upon this act becoming a law, paragraph (r) of subsection (2) of section 196.173, Florida Statutes, is amended, and paragraphs (s) through (w) are added to that subsection, to read:

196.173 Exemption for deployed servicemembers.—

(2) The exemption is available to servicemembers who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of any of the following military operations:

(r) European Reassurance Initiative/European Deterrence Initiative and Operation European Assure, Deter and Reinforce, which began in 2014.



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(s) Operations in Israel and the Gaza Strip's Mediterranean territorial seas and air spaces, which began in March 2023.

(t) Operations in support of the Pacific Deterrence Initiative, which began in 2021.

(u) Operation Southern Spear, which began in 2025.

(v) Operation Sharp Sentry, which began in 2010.

(w) Operations by the Multinational Force and Observers, which began in 1981.

The Department of Revenue shall notify all property appraisers and tax collectors in this state of the designated military operations.

Section 15. (1) The amendments made by this act to s. 196.173, Florida Statutes, first apply to the 2026 property tax roll.

(2) This section shall take effect upon this act becoming a law.

Section 16. Paragraph (o) of subsection (3) of section 196.1978, Florida Statutes, is amended to read:

196.1978 Affordable housing property exemption.—

(3)(o)1. Beginning with the 2025 tax roll, a taxing authority may elect, upon adoption of an ordinance or resolution approved by a two-thirds vote of the governing body, not to exempt property under sub-subparagraph (d)1.a. located in a county specified pursuant to subparagraph 2., subject to the conditions of this paragraph.

2. A taxing authority must make a finding in the ordinance or resolution that annual housing reports ~~the most recently published by the~~ Shimberg Center for Housing Studies ~~Annual~~



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~~Report, prepared~~ pursuant to s. 420.6075 ~~identify, identifies~~
that a county that is part of the jurisdiction of the taxing
authority is within a metropolitan statistical area or region
where, for each of the previous 3 years, the number of
affordable and available units in the metropolitan statistical
area or region is greater than the number of renter households
in the metropolitan statistical area or region for the category
entitled "0-120 percent AMI."

3. An election made pursuant to this paragraph may apply
only to the ad valorem property tax levies imposed within a
county specified pursuant to subparagraph 2. by the taxing
authority making the election.

4. The ordinance or resolution must take effect on the
January 1 immediately succeeding adoption and shall expire on
the second January 1 after the January 1 in which the ordinance
or resolution takes effect. The ordinance or resolution may be
renewed prior to its expiration pursuant to this paragraph.

5. The taxing authority proposing to make an election under
this paragraph must advertise the ordinance or resolution or
renewal thereof pursuant to the requirements of s. 50.011(1)
prior to adoption.

6. The taxing authority must provide to the property
appraiser the adopted ordinance or resolution or renewal thereof
by the effective date of the ordinance or resolution or renewal
thereof.

7. Notwithstanding an ordinance or resolution or renewal
thereof adopted pursuant to this paragraph, property in a
multifamily project that received an exemption pursuant to sub-
subparagraph (d)1.a. before the adoption or renewal of such



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ordinance or resolution may continue to receive such exemption for each subsequent consecutive year that the same owner or each successive owner applies for and is granted the exemption.

8. Notwithstanding an ordinance or a resolution or a renewal thereof adopted pursuant to this paragraph, the owner of a property in a multifamily project that was issued a building permit on or after July 1, 2026, for the development of residential units in the multifamily project within 4 years before the adoption of such ordinance or resolution or renewal may apply for and be granted the exemption under sub-subparagraph (d)1.a. after meeting the requirements of this subsection and may continue to receive such exemption for each subsequent consecutive year in which the same owner or each successive owner applies for and is granted the exemption.

Section 17. (1) The amendments made by this act to s. 196.1978, Florida Statutes, first apply to the 2027 property tax roll.

(2) An ordinance adopted pursuant to s. 196.1978(3), Florida Statutes, before the July 1, 2026, is valid until its expiration.

Section 18. Paragraph (b) of subsection (5) of section 200.065, Florida Statutes, is amended to read:

200.065 Method of fixing millage.—

(5) In each fiscal year:

(b) The millage rate of a county or municipality, municipal service taxing unit of that county, and any special district dependent to that county or municipality may exceed the maximum millage rate calculated pursuant to this subsection if the total county ad valorem taxes levied or total municipal ad valorem



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taxes levied do not exceed the maximum total county ad valorem taxes levied or maximum total municipal ad valorem taxes levied respectively. Voted millage and taxes levied by a municipality or independent special district that has levied ad valorem taxes for less than 5 years are not subject to this limitation. The nonvoted millage rate that any other taxing authority that is subject to this limitation may levy in its first year or in a year immediately succeeding a year in which the millage rate was zero must be approved by a vote as provided in subparagraph (a)2. The millage rate of a county authorized to levy a county public hospital surtax under s. 212.055 may exceed the maximum millage rate calculated pursuant to this subsection to the extent necessary to account for the revenues required to be contributed to the county public hospital. Total taxes levied may exceed the maximum calculated pursuant to subsection (6) as a result of an increase in taxable value above that certified in subsection (1) if such increase is less than the percentage amounts contained in subsection (6) or if the administrative adjustment cannot be made because the value adjustment board is still in session at the time the tax roll is extended; otherwise, millage rates subject to this subsection may be reduced so that total taxes levied do not exceed the maximum.

Any unit of government operating under a home rule charter adopted pursuant to ss. 10, 11, and 24, Art. VIII of the State Constitution of 1885, as preserved by s. 6(e), Art. VIII of the State Constitution, which is granted the authority in the State Constitution to exercise all the powers conferred now or hereafter by general law upon municipalities and which exercises



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such powers in the unincorporated area shall be recognized as a municipality under this subsection. For a downtown development authority established before the effective date of the State Constitution which has a millage that must be approved by a municipality, the governing body of that municipality shall be considered the governing body of the downtown development authority for purposes of this subsection.

Section 19. Paragraph (c) of subsection (2) of section 202.18, Florida Statutes, is amended, and paragraph (b) of that subsection is republished, to read:

202.18 Allocation and disposition of tax proceeds.—The proceeds of the communications services taxes remitted under this chapter shall be treated as follows:

(2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated as follows:

(b) Fifty-five and nine-tenths percent of the remainder shall be allocated to the state and distributed pursuant to s. 212.20(6), except that the proceeds allocated pursuant to s. 212.20(6)(d)2.b. shall be prorated to the participating counties in the same proportion as that month's collection of the taxes and fees imposed pursuant to chapter 212 and paragraph (1)(b).

(c)1. After the distribution required under paragraph (b),
the remainder ~~During each calendar year, the remaining portion~~
~~of the proceeds~~ shall be transferred to the Local Government
Half-cent Sales Tax Clearing Trust Fund and. ~~Seventy percent of~~
~~such proceeds shall be~~ allocated in the same proportion as the
allocation of total receipts of the half-cent sales tax under s.
218.61 and the emergency distribution under s. 218.65 in the
prior state fiscal year. ~~Thirty percent of such proceeds shall~~



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~~be distributed pursuant to s. 218.67.~~

2. The proportion of the proceeds allocated based on the emergency distribution under s. 218.65 shall be distributed pursuant to s. 218.65.

3. In each calendar year, the proportion of the proceeds allocated based on the half-cent sales tax under s. 218.61 shall be allocated to each county in the same proportion as the county's percentage of total sales tax allocation for the prior state fiscal year and distributed pursuant to s. 218.62.

4. The department shall distribute the appropriate amount to each municipality and county each month at the same time that local communications services taxes are distributed pursuant to subsection (3).

Section 20. Effective October 1, 2026, present paragraph (j) of subsection (1) of section 203.01, Florida Statutes, is redesignated as paragraph (k) and present subsection (9) of that section is redesignated as subsection (10), a new paragraph (j) is added to subsection (1) and a new subsection (9) is added to that section, and paragraphs (a), (c), and (d) of subsection (1) of that section, are amended to read:

203.01 Tax on gross receipts for utility and communications services.—

(1)(a)1. A tax is imposed on gross receipts from utility services ~~that are~~ delivered to a retail consumer or to an owner or operator of an electric vehicle charging station as defined in s. 366.94(2) in this state. The tax shall be levied as provided in paragraphs (b)-(k) ~~(b)-(j)~~. Except as provided in paragraph (j), such tax is not imposed on the retail sale of electricity pursuant to s. 212.0516.



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2. A tax is levied on communications services as defined in s. 202.11(1). The tax shall be applied to the same services and transactions as are subject to taxation under chapter 202, and to communications services that are subject to the exemption provided in s. 202.125(1). The tax shall be applied to the sales price of communications services when sold at retail, as the terms are defined in s. 202.11, shall be due and payable at the same time as the taxes imposed pursuant to chapter 202, and shall be administered and collected pursuant to chapter 202.

3. An additional tax is levied on charges for, or the use of, electrical power or energy that is subject to the tax levied pursuant to s. 212.05(1)(e)1.c. or s. 212.06(1). The tax shall be applied to the same transactions or uses as are subject to taxation under s. 212.05(1)(e)1.c. or s. 212.06(1). If a transaction or use is exempt from the tax imposed under s. 212.05(1)(e)1.c. or s. 212.06(1), the transaction or use is also exempt from the tax imposed under this subparagraph. The tax shall be applied to charges for electrical power or energy and is due and payable at the same time as taxes imposed pursuant to chapter 212. Chapter 212 governs the administration and enforcement of the tax imposed by this subparagraph. The charges upon which the tax imposed by this subparagraph is applied do not include the taxes imposed by subparagraph 1. or s. 166.231. The tax imposed by this subparagraph becomes state funds at the moment of collection and is not considered as revenue of a utility for purposes of a franchise agreement between the utility and a local government.

(c)1. The tax imposed under subparagraph (a)1. shall be levied against the total amount of gross receipts received by a



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distribution company for its sale of utility services if the utility service is delivered to the retail consumer or owner or operator of an electrical vehicle charging station by a distribution company and the retail consumer or owner or operator of an electric vehicle charging station pays the distribution company a charge for utility service which includes a charge for both the electricity and the transportation of electricity to the retail consumer or owner or operator of an electrical vehicle charging station. The distribution company shall report and remit to the Department of Revenue by the 20th day of each month the taxes levied pursuant to this paragraph during the preceding month.

2. To the extent practicable, the Department of Revenue must distribute all receipts of taxes remitted under this chapter to the Public Education Capital Outlay and Debt Service Trust Fund in the same month as the department collects such taxes.

(d)1. Each distribution company that receives payment for the delivery of electricity to a retail consumer or owner or operator of an electrical vehicle charging station in this state is subject to tax on the exercise of this privilege as provided by this paragraph unless the payment is subject to tax under paragraph (c). For the exercise of this privilege, the tax levied on the distribution company's receipts for the delivery of electricity shall be determined by multiplying the number of kilowatt hours delivered by the index price and applying the rate in subparagraph (b)1. to the result.

2. The index price is the Florida price per kilowatt hour for retail consumers in the previous calendar year, as published



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in the United States Energy Information Administration Electric Power Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

3. Tax due under this paragraph shall be administered, paid, and reported in the same manner as the tax due under paragraph (c).

4. The amount of tax due under this paragraph shall be reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the retail consumer or owner or operator of an electrical vehicle charging station purchased the electricity, whether imposed by and paid to this state, another state, a territory of the United States, or the District of Columbia. This reduction in tax shall be available to the retail consumer or owner or operator of an electrical vehicle charging station as a refund made pursuant to s. 215.26 and does not inure to the benefit of the person who receives payment for the delivery of the electricity. The methods of demonstrating proof of payment and the amount of such refund shall be made according to rules of the Department of Revenue.

(j) An owner or operator of an electric vehicle charging station that produces electrical energy for the provision of electricity to a consumer at an electric vehicle charging



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station is directly liable to the state for the tax imposed by subparagraph (a)1. and must register with the department to remit such tax. The amount of tax owed shall be equal to the cost price, as defined in s. 212.02, of such electricity, times the rate set forth in subparagraph (1)(b)1.

(9) Possession by a distribution company of an affidavit from the owner or operator of an electric vehicle charging station, pursuant to s. 212.0516, relieves the distribution company from the responsibility of collecting the tax imposed under subparagraph (1)(a)3. and s. 212.05(1)(e)1.c., and the department shall look solely to the owner or operator of the electric vehicle charging station for recovery of such taxes.

Section 21. Effective October 1, 2026, subsection (1) of section 203.012, Florida Statutes, is amended to read:

203.012 Definitions.—As used in this chapter:

(1) "Distribution company" means any person owning or operating local electric or natural or manufactured gas utility distribution facilities within this state for the transmission, delivery, and sale of electricity or natural or manufactured gas. The term does not include natural gas transmission companies that are subject to the jurisdiction of the Federal Energy Regulatory Commission. The term does not include a person who owns or operates an electric vehicle charging station that purchases electricity for resale under s. 212.0516, and does not produce electrical energy for the provision of electricity to a consumer at an electric vehicle charging station.

Section 22. Paragraph (a) of subsection (2) of section 212.04, Florida Statutes, is amended to read:

212.04 Admissions tax; rate, procedure, enforcement.—



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(2)(a) A tax may not be levied on:

1. Admissions to athletic or other events sponsored by elementary schools, junior high schools, middle schools, high schools, community colleges, public or private colleges and universities, deaf and blind schools, facilities of the youth services programs of the Department of Children and Families, and state correctional institutions if only student, faculty, or inmate talent is used. However, this exemption does not apply to admission to athletic events sponsored by a state university, and the proceeds of the tax collected on such admissions shall be retained and used by each institution to support women's athletics as provided in s. 1006.71(2)(c).

2. Dues, membership fees, and admission charges imposed by not-for-profit sponsoring organizations. To receive this exemption, the sponsoring organization must qualify as a not-for-profit entity under s. 501(c)(3) of the Internal Revenue Code of 1954, as amended.

3. Admission charges to an event sponsored by a governmental entity, sports authority, or sports commission if held in a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, or publicly owned recreational facility and if 100 percent of the risk of success or failure lies with the sponsor of the event and 100 percent of the funds at risk for the event belong to the sponsor, and student or faculty talent is not exclusively used. As used in this subparagraph, the terms "sports authority" and "sports commission" mean a nonprofit organization that is exempt from federal income tax under s. 501(c)(3) of the Internal Revenue Code and that contracts with a county or municipal



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government for the purpose of promoting and attracting sports-tourism events to the community with which it contracts.

4. An admission paid by a student, or on the student's behalf, to any required place of sport or recreation if the student's participation in the sport or recreational activity is required as a part of a program or activity sponsored by, and under the jurisdiction of, the student's educational institution if his or her attendance is as a participant and not as a spectator.

5. Admissions to the National Football League championship game or Pro Bowl; admissions to any semifinal game or championship game of a national collegiate tournament; admissions to a Major League Baseball, Major League Soccer, National Basketball Association, or National Hockey League all-star game; admissions to the Major League Baseball Home Run Derby held before the Major League Baseball All-Star Game; admissions to any FIFA World Cup match sanctioned by the Fédération Internationale de Football Association (FIFA), including any qualifying match held up to 12 months before the FIFA World Cup matches; admissions to any Formula One Grand Prix race sanctioned by the Fédération Internationale de l'Automobile, including any qualifying or support races held at the circuit up to 72 hours before the grand prix race; admissions to the Daytona 500 sanctioned by the National Association for Stock Car Auto Racing (NASCAR), including any qualifying or support races held at the same track up to 72 hours before the race; admissions to the NASCAR Cup Series Championship Race, sanctioned by NASCAR, when held at the Homestead-Miami Speedway, including any qualifying or support



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736 races held at the same track up to 72 hours before the race; or
737 admissions to National Basketball Association all-star events
738 produced by the National Basketball Association and held at a
739 facility such as an arena, convention center, or municipal
740 facility.

741 6. A participation fee or sponsorship fee imposed by a
742 governmental entity as described in s. 212.08(6) for an athletic
743 or recreational program if the governmental entity by itself, or
744 in conjunction with an organization exempt under s. 501(c)(3) of
745 the Internal Revenue Code of 1954, as amended, sponsors,
746 administers, plans, supervises, directs, and controls the
747 athletic or recreational program.

748 7. Admissions to live theater, live opera, or live ballet
749 productions in this state which are sponsored by an organization
750 that has received a determination from the Internal Revenue
751 Service that the organization is exempt from federal income tax
752 under s. 501(c)(3) of the Internal Revenue Code of 1954, as
753 amended, if the organization actively participates in planning
754 and conducting the event; is responsible for the safety and
755 success of the event; is organized for the purpose of sponsoring
756 live theater, live opera, or live ballet productions in this
757 state; has more than 10,000 subscribing members and has among
758 the stated purposes in its charter the promotion of arts
759 education in the communities it serves; and will receive at
760 least 20 percent of the net profits, if any, of the events the
761 organization sponsors and will bear the risk of at least 20
762 percent of the losses, if any, from the events it sponsors if
763 the organization employs other persons as agents to provide
764 services in connection with a sponsored event. Before March 1 of



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each year, such organization may apply to the department for a certificate of exemption for admissions to such events sponsored in this state by the organization during the immediately following state fiscal year. The application must state the total dollar amount of admissions receipts collected by the organization or its agents from such events in this state sponsored by the organization or its agents in the year immediately preceding the year in which the organization applies for the exemption. Such organization shall receive the exemption only to the extent of \$1.5 million multiplied by the ratio that such receipts bear to the total of such receipts of all organizations applying for the exemption in such year; however, such exemption granted to any organization may not exceed 6 percent of such admissions receipts collected by the organization or its agents in the year immediately preceding the year in which the organization applies for the exemption. Each organization receiving the exemption shall report each month to the department the total admissions receipts collected from such events sponsored by the organization during the preceding month and shall remit to the department an amount equal to 6 percent of such receipts reduced by any amount remaining under the exemption. Tickets for such events sold by such organizations may not reflect the tax otherwise imposed under this section.

8. Entry fees for participation in freshwater fishing tournaments.

9. Participation or entry fees charged to participants in a game, race, or other sport or recreational event if spectators are charged a taxable admission to such event.

10. Admissions to any postseason collegiate football game



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sanctioned by the National Collegiate Athletic Association.

11. Admissions to and membership fees for gun clubs. For purposes of this subparagraph, the term "gun club" means an organization whose primary purpose is to offer its members access to one or more shooting ranges for target or skeet shooting.

12. Fees for admission to state parks, including annual entrance passes.

13. Admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament. This subparagraph expires July 1, 2029.

Section 23. Effective October 1, 2026, paragraph (e) of subsection (1) of section 212.05, Florida Statutes, is amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making or facilitating remote sales; who rents or furnishes any of the things or services taxable under this chapter; or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

(1) For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:

(e)1. At the rate of 6 percent on charges for:

a. Prepaid calling arrangements. The tax on charges for prepaid calling arrangements shall be collected at the time of



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sale and remitted by the selling dealer.

(I) "Prepaid calling arrangement" has the same meaning as provided in s. 202.11.

(II) If the sale or recharge of the prepaid calling arrangement does not take place at the dealer's place of business, it shall be deemed to have taken place at the customer's shipping address or, if no item is shipped, at the customer's address or the location associated with the customer's mobile telephone number.

(III) The sale or recharge of a prepaid calling arrangement shall be treated as a sale of tangible personal property for purposes of this chapter, regardless of whether a tangible item evidencing such arrangement is furnished to the purchaser, and such sale within this state subjects the selling dealer to the jurisdiction of this state for purposes of this subsection.

(IV) No additional tax under this chapter or chapter 202 is due or payable if a purchaser of a prepaid calling arrangement who has paid tax under this chapter on the sale or recharge of such arrangement applies one or more units of the prepaid calling arrangement to obtain communications services as described in s. 202.11(9)(b)3., other services that are not communications services, or products.

b. The installation of telecommunication and telegraphic equipment.

c. Electrical power or energy, including the provision of electric vehicle charging pursuant to s. 212.0516, except that the tax rate for such charges ~~for electrical power or energy~~ is 4.35 percent. Charges for electrical power and energy, including the provision of electric vehicle charging, do not include taxes



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imposed under ss. 166.231 and 203.01(1)(a)3.

2. Section 212.17(3), regarding credit for tax paid on charges subsequently found to be worthless, is equally applicable to any tax paid under this section on charges for prepaid calling arrangements, telecommunication or telegraph services, or electric power subsequently found to be uncollectible. As used in this paragraph, the term "charges" does not include any excise or similar tax levied by the Federal Government, a political subdivision of this state, or a municipality upon the purchase, sale, or recharge of prepaid calling arrangements or upon the purchase or sale of telecommunication, television system program, or telegraph service or electric power, which tax is collected by the seller from the purchaser.

Section 24. Effective October 1, 2026, section 212.0516, Florida Statutes, is created to read:

212.0516 Taxation of electricity at an electric vehicle charging station.—

(1) As used in this section, the term "electric vehicle charging station" has the same meaning as in s. 366.94(2).

(2) Notwithstanding any law to the contrary, and for purposes of this chapter, the provision of electricity to a consumer at an electric vehicle charging station shall be considered the retail sale of electricity and is subject to the tax levied under ss. 203.01(1)(a)3. and 212.05(1)(e)1.c. Purchases of electricity for the provision of electricity to a consumer at an electric vehicle charging station may be made for resale and includes up to 105 percent of the amount of electricity that goes into the storage batteries of an electric



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vehicle.

(3) The tax levied on charges for electrical power or energy under ss. 203.01(1)(a)3. and 212.05(1)(e)1.c. are in addition to any other tax or fee levied on the sale of electricity and shall be remitted as prescribed by law by the electric vehicle charging station.

(4) The owner or operator of an electric vehicle charging station shall keep records of the quantity of electricity purchased, created, or generated, if applicable, and the quantity of electricity that went into the storage batteries of an electric vehicle in the same manner as other pertinent records and papers required to be held under s. 213.35.

(5) The owner or operator of the electric vehicle charging station shall furnish a seller of electricity with an affidavit, on a form prescribed by the department, attesting to the quantity of electricity purchased for resale, pursuant to this section, and other information as required by the department. Any person that furnishes a false affidavit to a seller for the purpose of evading payment of any tax imposed under this chapter shall be subject to the penalties set forth in s. 212.085 and as otherwise provided by law. Possession by a seller of an affidavit furnished pursuant to this subsection relieves the seller of the responsibility of collecting the tax on the sale of the electricity for which a resale is made, and the department shall look solely to the owner or operator for recovery of the tax if it determines that the owner or operator purchased electricity that was not resold.

(6) This section applies only to persons engaged in the business of providing electric vehicle charging to consumers and



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does not include any individual, business, or governmental entity that provides electric vehicle charging for their own vehicles.

(7) This section may not be construed to affect the regulation of electric vehicle charging or electric vehicle chargers for any purpose other than for the administration of the legal incidence of taxation.

(8) The department may adopt rules necessary to administer the provisions of this section, including requiring such information as it may deem necessary to ensure that the taxes levied under ss. 203.01(1)(a)1. and 3. and 212.05(1)(e)1.c. are properly collected and remitted.

Section 25. Subsection (6) of section 212.08, Florida Statutes, is amended, and paragraph (ffff) is added to subsection (7) of that section, to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(6) EXEMPTIONS; POLITICAL SUBDIVISIONS.—

(a)1. There are also exempt from the tax imposed by this chapter sales made to the United States Government, a state, or any county, municipality, or political subdivision of a state when payment is made directly to the dealer by the governmental entity. This exemption shall not inure to any transaction otherwise taxable under this chapter when payment is made by a government employee by any means, including, but not limited to,



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cash, check, or credit card when that employee is subsequently reimbursed by the governmental entity. This exemption does not include sales, rental, use, consumption, or storage for use in any political subdivision or municipality in this state of machines and equipment and parts and accessories therefor used in the generation, transmission, or distribution of electrical energy by systems owned and operated by a political subdivision in this state for transmission or distribution expansion. Likewise exempt are charges for services rendered by radio and television stations, including line charges, talent fees, or license fees and charges for films, videotapes, and transcriptions used in producing radio or television broadcasts. The exemption provided in this paragraph ~~subsection~~ does not include sales, rental, use, consumption, or storage for use in any political subdivision or municipality in this state of machines and equipment and parts and accessories therefor used in providing two-way telecommunications services to the public for hire by the use of a telecommunications facility, as defined in s. 364.02(14), and for which a certificate is required under chapter 364, which facility is owned and operated by any county, municipality, or other political subdivision of the state. Any immunity of any political subdivision of the state or other entity of local government from taxation of the property used to provide telecommunication services that is taxed as a result of this section is hereby waived. However, the exemption provided in this paragraph ~~subsection~~ includes transactions taxable under this chapter which are for use by the operator of a public-use airport, as defined in s. 332.004, in providing such telecommunications services for the airport or its tenants,



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concessionaires, or licensees, or which are for use by a public hospital for the provision of such telecommunications services.

2.~~(b)~~ The exemption provided under this paragraph
~~subsection~~ does not include sales of tangible personal property made to contractors employed directly to or as agents of any such government or political subdivision when such tangible personal property goes into or becomes a part of public works owned by such government or political subdivision. A determination of whether a particular transaction is properly characterized as an exempt sale to a government entity or a taxable sale to a contractor shall be based upon the substance of the transaction rather than the form in which the transaction is cast. However, for sales of tangible personal property that go into or become a part of public works owned by a governmental entity, other than the Federal Government, a governmental entity claiming the exemption provided under this paragraph ~~subsection~~ shall certify to the dealer and the contractor the entity's claim to the exemption by providing the dealer and the contractor a certificate of entitlement to the exemption for such sales. If the department later determines that such sales, in which the governmental entity provided the dealer and the contractor with a certificate of entitlement to the exemption, were not exempt sales to the governmental entity, the governmental entity shall be liable for any tax, penalty, and interest determined to be owed on such transactions. Possession by a dealer or contractor of a certificate of entitlement to the exemption from the governmental entity relieves the dealer from the responsibility of collecting tax on the sale and the contractor for any liability for tax, penalty, or interest



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related to the sale, and the department shall look solely to the governmental entity for recovery of tax, penalty, and interest if the department determines that the transaction was not an exempt sale to the governmental entity. The governmental entity may not transfer liability for such tax, penalty, and interest to another party by contract or agreement.

3.~~(e)~~ The department shall adopt rules for determining whether a particular transaction is properly characterized as an exempt sale to a governmental entity or a taxable sale to a contractor which give special consideration to factors that govern the status of the tangible personal property before being affixed to real property. In developing such rules, assumption of the risk of damage or loss is of paramount consideration in the determination. The department shall also adopt, by rule, a certificate of entitlement to exemption for use as provided in subparagraph 2. ~~paragraph (b).~~ The certificate shall require the governmental entity to affirm that it will comply with the requirements of this paragraph subsection and the rules adopted under subparagraph 2. ~~paragraph (b)~~ in order to qualify for the exemption and that it acknowledges its liability for any tax, penalty, or interest later determined by the department to be owed on such transactions.

4.~~(d)~~ For purposes of subparagraph 1. ~~paragraph (a)~~, the phrase "when payment is made directly to the dealer by the governmental entity" includes situations in which an entity under contract with a municipality to maintain and operate a municipally owned golf course pays for a purchase or lease for the operation or maintenance of that golf course using the golf course revenues or other funds provided by the municipality for



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use by that entity. This subparagraph ~~paragraph~~ applies to a municipally owned golf course that is:

a.1- Located in a county with a population of at least 2 million residents.

b.2- The site upon which youth education programs are delivered on an ongoing basis by a nonprofit organization that is exempt from federal income tax under s. 501(c)(3) of the Internal Revenue Code.

(b)1. Notwithstanding any other provision of this chapter, sales of tangible personal property made to contractors employed directly to or as agents of a state university as identified in s. 1000.21(9) are exempt from the tax imposed by this chapter when such tangible personal property goes into or becomes part of public works owned by such state university. This exemption inures to the state university at the time the tangible personal property goes into or becomes part of the public works, but only through a refund of previously paid taxes. Such refund must be made within 30 days of formal approval by the department of the taxpayer's application.

2. To receive a refund pursuant to this paragraph, a state university must file an application with the department on a quarterly basis. The application must include:

a. The name and address of the state university claiming the refund.

b. The identity of the state university public works project or projects.

c. The name and address of each contractor that manufactured or purchased tangible personal property for installation in the public works project or projects for which a



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refund of tax paid is being requested.

d. A copy of the state university's exemption certificate.

e. The total amount of the requested refund of tax paid, including copies of each invoice evidencing the purchase of tangible personal property that was installed or became a part of the public works project or projects and the payment of tax on such tangible personal property.

3. The department shall adopt rules governing the manner and form of refund applications and may establish guidelines as to the requisites for an affirmative showing of qualification for exemption and refund of tax under this paragraph. The state university must file the refund application under oath affirming that it will comply with the requirements of this paragraph and the rules adopted in this subparagraph in order to qualify for the exemption and that it acknowledges its liability for any tax, penalty, or interest for tax refunded to the university which was later determined by the department to be owed on such transactions.

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as



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required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ffff) *Liquefied petroleum gas tanks.*—Portable tanks for butane gas, propane gas, natural gas, or any other form of liquefied petroleum gas with a capacity of 20 pounds or less are exempt from the tax imposed by this chapter.

Section 26. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located



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within a participating county pursuant to s. 218.61 shall be transferred in two parts:

a. The total amount of \$50 million of the communications services taxes remitted pursuant to s. 202.18(1)(b) and (2)(b), in any fiscal year, shall be distributed by the department by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program created in s. 337.4031; and

b. The remainder shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning October 1, 2025, the amount to be transferred shall be reduced by 0.1018 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as



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great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. After the distributions required under subparagraphs 1.-5., the greater of \$50 million or 0.1412 percent of the available proceeds shall be transferred in each fiscal year to fiscally constrained counties pursuant to s. 218.67.

7. Of the remaining proceeds:

a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in this ~~the~~ state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by



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local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5) or s. 288.11621(3).

c. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training



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franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

d. The department shall distribute \$15,333 monthly to the State Transportation Trust Fund.

e. Beginning July 1, 2023, in each fiscal year, the department shall distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund under s. 571.26, for further distribution in accordance with s. 571.265.

~~8.7.~~ All other proceeds must remain in the General Revenue Fund.

Section 27. Section 218.67, Florida Statutes, is amended to read:

218.67 Distribution for fiscally constrained counties.—

(1) Each county ~~that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656 or each county~~ for which the value of a mill will raise no more than \$10 ~~\$5~~ million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., from the previous July 1, is ~~shall be~~ considered a fiscally constrained county.

(2) Each fiscally constrained county government that



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participates in the local government half-cent sales tax shall be eligible to receive an additional distribution ~~from the Local Government Half-cent Sales Tax Clearing Trust Fund~~, as provided in s. 212.20(6)(d)6. ~~s. 202.18(2)(e)1.~~, in addition to its regular monthly distribution provided under this part and any emergency or supplemental distribution under s. 218.65.

(3) The amount to be distributed to each fiscally constrained county shall be determined by the Department of Revenue at the beginning of the fiscal year, using the prior fiscal year's sales and use tax collections from the most recent fiscal year that reports 12 months of collections ~~July 1 taxable value certified pursuant to s. 1011.62(4)(a)1.a., tax data, the~~ population as defined in s. 218.21, and the most current calendar year per capita personal income, as initially reported by the Bureau of Economic Analysis of the United States ~~Department of Commerce millage rate levied for the prior fiscal year.~~ The amount distributed shall be allocated based upon the following factors:

(a) The contribution-to-revenue ~~relative revenue-raising-capacity~~ factor for each participating county must equal 100 multiplied by a quotient, the numerator of which is the county's population and the denominator of which is the state sales and use tax collections attributable to the county ~~shall be the ability of the eligible county to generate ad valorem revenues from 1 mill of taxation on a per capita basis. A county that raises no more than \$25 per capita from 1 mill shall be assigned a value of 1; a county that raises more than \$25 but no more than \$30 per capita from 1 mill shall be assigned a value of 0.75; and a county that raises more than \$30 but no more than~~



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~~\$50 per capita from 1 mill shall be assigned a value of 0.5. No value shall be assigned to counties that raise more than \$50 per capita from 1 mill of ad valorem taxation.~~

(b) ~~The personal-income local-effort factor must equal a quotient, the numerator of which is the median per capita personal income of participating counties and the denominator of which is the county's per capita personal income shall be a measure of the relative level of local effort of the eligible county as indicated by the millage rate levied for the prior fiscal year. The local-effort factor shall be the most recently adopted countywide operating millage rate for each eligible county multiplied by 0.1.~~

(c) Each eligible county's proportional allocation of the total amount available to be distributed to all of the eligible counties ~~must~~ shall be in the same proportion as the sum of the county's two factors is to the sum of the two factors for all eligible counties. The proportional rate computation must be carried to the fifth decimal place, and the amount to distribute to each county must be rounded to the nearest whole dollar amount. The counties that are eligible to receive an allocation under this subsection and the amount available to be distributed to such counties ~~do~~ shall not include counties participating in the phaseout period under subsection (4) or the amounts they remain eligible to receive during the phaseout.

(4) For those counties that no longer qualify under the requirements of subsection (1) after the effective date of this act, there shall be a 2-year phaseout period. Beginning on July 1 of the year following the year in which the value of a mill for that county exceeds \$10 ~~\$5~~ million in revenue, the county



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shall receive two-thirds of the amount received in the prior year, and beginning on July 1 of the second year following the year in which the value of a mill for that county exceeds \$10 ~~\$5~~ million in revenue, the county shall receive one-third of the amount received in the last year that the county qualified as a fiscally constrained county. Following the 2-year phaseout period, the county is ~~shall~~ no longer ~~be~~ eligible to receive any distributions under this section unless the county can be considered a fiscally constrained county as provided in subsection (1).

(5) (a) The revenues received under this section must be allocated ~~may be used~~ by a county to be used for the following purposes:

1. Fifty percent for public safety, including salary expenditures for law enforcement officers or correctional officers, as those terms are defined in s. 943.10(1) and (2), respectively, firefighters as defined in s. 633.102, and emergency medical technicians or paramedics as those terms are defined in s. 401.23.

2. Thirty percent for infrastructure needs.

3. Twenty percent for any public purpose.

(b) The revenues received under this section ~~any public purpose, except that such revenues~~ may not be used to pay debt service on bonds, notes, certificates of participation, or any other forms of indebtedness.

Section 28. Paragraph (e) of subsection (4) and subsection (5) of section 288.062, Florida Statutes, are amended to read:

288.062 Rural Community Investment Program.—

(4)



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(e) A tax credit certified under this paragraph may not be taken against state tax liability until a rural fund receives a final order under subsection (5). After approving the application, the department must provide a certification to the applicant which does all of the following:

1. Designates the applicant as a rural fund.
2. Certifies the amount of the rural fund's investment authority.
3. Certifies the amount of tax credits available to persons who make investor contributions in the rural fund. The certified tax credits must be equal to 50 ~~25~~ percent of the rural fund's investment authority under subparagraph 2.
4. A statement that tax credits may not be taken against state tax liability until the rural fund receives a final order under subsection (5).

(5) Upon receipt of the notification under paragraph (4)(g), the department must issue a final order approving the taxpayer to receive tax credits under this section. The final order must include the identity, including name and tax identification number, of each taxpayer who is eligible to claim the credit and the amount of credits that may be claimed by each taxpayer. The amount of tax credits that the taxpayer is approved to receive must be equal to 50 ~~25~~ percent of the investor contribution specified in the notification under subparagraph (4)(g)3. The department must provide the final order to the rural fund and the Department of Revenue.

Section 29. Section 377.816 , Florida Statutes, is created to read:

377.816 Prohibiting the adoption or implementation of net



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zero policies by governmental entities.-

(1) The Legislature finds that net zero policies, carbon taxes and assessments, and emission trading programs are detrimental to this state's energy security and economic interests and inconsistent with the energy policy and the environmental policy of the state.

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

(a) "Emission trading program," also known as a "cap-and-tax" or "cap-and-trade" program, means any program that establishes a greenhouse gas emission limit for a particular activity and provides for the allocation, auction, sale, or transfer of emissions allowances or credits among pollutant sources as a means of compliance with such limits.

(b) "Governmental entity" has the same meaning as in s. 215.985(1).

(c) "Greenhouse gas" means any of the following gases, or a combination thereof:

1. Carbon dioxide.
2. Methane.
3. Nitrous oxide.
4. Hydrofluorocarbons.
5. Perfluorocarbons.
6. Sulphur hexafluoride.
7. Nitrogen trifluoride.

(d) "Public funds" means all moneys under the jurisdiction or control of a governmental entity.

(e) "Net zero policy" means any policy, program, or initiative designed to achieve a balance between the total amount of greenhouse gas emitted into the atmosphere with an



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equal amount removed from the atmosphere.

(3) A governmental entity may not enact or enforce, or require any person or legal entity to enact or enforce, a resolution, an ordinance, a rule, a code, or a policy to support a net zero policy, including as a condition of any contract or agreement between the governmental entity and a third party.

(4) A governmental entity may not use, pay, or distribute public funds in any manner that supports, implements, or advances a net zero policy by doing any of the following:

(a) Providing procurement or purchasing preferences for a product or vendor on the basis that the procurement or purchase of such product or from such vendor will advance or support a net zero policy.

(b) Providing procurement or purchasing preferences for any goods, including, but not limited to, vehicles, equipment, appliances, or other products, based solely on the types or sources of fuel used by, or used in the production of, such goods.

(c) Using public funds to pay dues, membership fees, subscription fees, or charitable contributions to any nongovernmental agency or other private organization, including any trade association or organization, that:

1. Adopts a net zero policy;

2. Requires adoption of, or any commitment to support, a net zero policy as a condition of membership or of receiving any benefit of membership; or

3. Uses such funds to advocate for a net zero policy.

(5)(a) A governmental entity may not impose any charge, including a tax, fee, penalty, offset, or assessment, to advance



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a net zero policy, including, but not limited to:

1. A charge based on the carbon content of a fuel.

2. A charge based on the emission of greenhouse gases that results from the use, production, or consumption of any product, service, or activity.

3. A charge assessed in connection with an emission trading program.

(b) Each governmental entity shall annually submit to the Department of Revenue an affidavit, signed under penalty of perjury by an authorized official of the governmental entity, attesting to compliance with this subsection.

(6) A governmental entity may not implement, administer, or enforce any program or join any organization that has a policy of:

(a) Establishing a statewide, regional, or geographic limit or cap on the amount of greenhouse gas emissions which results from the use, production, or consumption of any product or from any activity.

(b) Requiring or incentivizing a governmental entity or any person in this state to participate in an emissions trading program.

(7) The restrictions of this section do not prevent:

(a) The board of a municipality or governmental entity which owns or operates and directly controls an electric or natural gas utility from passing rules, regulations, or policies governing the utility.

(b) The Florida Public Service Commission from exercising its powers and duties to regulate public utilities in accordance with applicable law.



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(c) A governmental entity from otherwise exercising its authority as provided by general law, including by implementing energy policies consistent with the energy policies set forth in s. 377.601 or implementing local and regional air and water pollution control programs consistent with the environmental policies set forth in s. 403.021.

(8) This section applies to any proposed action by a governmental entity on or after July 1, 2026, that is not otherwise permissible by general law.

Section 30. Effective February 1, 2027, subsection (3) is added to section 689.261, Florida Statutes, to read:

689.261 Sale of residential property; disclosure of ad valorem taxes to prospective purchaser.—

(3) (a) As used in this subsection, the term:

1. "Listing platform" means any public-facing online real property listing service, including, but not limited to, websites, web applications, and mobile applications. The term does not include a social media platform as defined in s. 501.2041(1).

2. "Property" means residential real property located within this state.

(b) Any property visible on a listing platform must include the estimated ad valorem taxes for such property.

1. If the ad valorem taxes are estimated using a tax estimator or buyer payment calculator, the current owner's ad valorem assessment or taxes may not be used to calculate the estimated ad valorem taxes. The listing platform must calculate and display the estimated ad valorem taxes using one of the following methods:



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a. The ad valorem taxes that would be due if the purchaser were taxed on the listing price of the property at current millage rates using the data and formula published under subparagraph (d)1. The use of such data and formula constitutes a reasonable estimate of ad valorem taxes. The listing platform must include a disclaimer on the same website or application as the estimated ad valorem taxes that the millage rates of applicable taxing authorities may vary within a county and that the estimated ad valorem taxes do not include all applicable non-ad valorem assessments or exemptions, discounts, and other tax benefits, including, but not limited to, transfer of the homestead assessment difference under s. 4, Art. VII of the State Constitution. The current owner's and any previous years' ad valorem taxes on the property may be displayed only as part of historical tax information.

b. The ad valorem taxes that would be due if the purchaser were taxed on the listing price of the property at the countywide aggregate average millage rate using the data published under subparagraph (d)2. The listing platform must include a link to the property appraiser's tax estimator for the county in which the property is located, if available, or to such property appraiser's homepage. The Department of Revenue shall maintain a table of links to each property appraiser's homepage and tax estimator, if available, on its website. The listing platform must include a disclaimer on the same website or application as the estimated ad valorem taxes stating that the millage rates of applicable taxing authorities may vary within a county and that the estimated ad valorem taxes do not include all applicable non-ad valorem assessments or exemptions,



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discounts, and other tax benefits, including, but not limited to, transfer of the homestead assessment difference under s. 4, Art. VII of the State Constitution. The current owner's and any previous years' ad valorem taxes on the property may be displayed only as part of historical tax information.

2. If ad valorem taxes are not estimated using a tax estimator or buyer payment calculator as provided in subparagraph 1., the listing platform may not display the current owner's ad valorem taxes and must include a link to the property appraiser's tax estimator for the county in which the property is located, if available, or to such property appraiser's homepage. The department shall maintain a table of links to each county property appraiser's homepage and tax estimator, if available, on its website. The previous year's ad valorem taxes on the property may not be displayed as part of historical tax information.

3. There is no liability on the part of, and no cause of action may arise against, any person for an inaccurate estimation of ad valorem taxes for a property listed on a listing platform.

(c) The current owner's ad valorem taxes may not be included in any printed listing materials concerning a property.

(d)1. The department shall develop a formula that may be used by a listing platform to calculate the estimated ad valorem taxes required under this subsection. Each county property appraiser shall provide the department with any information needed to develop the formula, including, at a minimum, the county name, tax district code, school district millage rate, and summary millage rate for all other applicable taxing



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authorities. Beginning December 15, 2026, and annually thereafter, the department shall publish on its website the formula and the information collected from each property appraiser under this subparagraph.

2. The department shall annually develop a countywide aggregate average millage rate for each county which may be used by a listing platform as an alternative method of meeting the requirements of this subsection. The department shall require each county property appraiser to provide the department with any information needed to develop the countywide aggregate average millage rate. Beginning December 15, 2026, and annually thereafter, the department shall publish on its website the countywide aggregate average millage rate and the information collected from each property appraiser under this subparagraph.

(e) The department may adopt rules to implement paragraph (d).

Section 31. Subsection (9) of section 1011.71, Florida Statutes, is amended to read:

1011.71 District school tax.—

(9) In addition to the maximum millage levied under this section and the General Appropriations Act, a school district may levy, by local referendum or in a general election, additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under this section, does not exceed the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. Any such levy shall be for a maximum of 4 years and shall be counted as part of the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. For the purpose of distributing taxes collected



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pursuant to this subsection, the term "school operational purposes" includes charter schools ~~sponsored by a school district~~. Millage elections conducted under the authority granted pursuant to this section are subject to s. 1011.73. Funds generated by such additional millage do not become a part of the calculation of the Florida Education Finance Program total potential funds in 2001-2002 or any subsequent year and must not be incorporated in the calculation of any hold-harmless or other component of the Florida Education Finance Program formula in any year. If an increase in required local effort, when added to existing millage levied under the 10-mill limit, would result in a combined millage in excess of the 10-mill limit, any millage levied pursuant to this subsection shall be considered to be required local effort to the extent that the district millage would otherwise exceed the 10-mill limit. Funds levied under this subsection shall be shared with charter schools based on each charter school's proportionate share of the district's total unweighted full-time equivalent student enrollment and used in a manner consistent with the purposes of the levy. The referendum must contain an explanation of the distribution methodology consistent with the requirements of this subsection.

Section 32. The amendments made by this act to s. 1011.71(9), Florida Statutes, amending the distribution of taxes collected from certain voted discretionary operating millages levied by school districts, apply to such levies authorized by a vote of the electors on or after July 1, 2026.

Section 33. Paragraphs (g), (h), and (r) of subsection (1) of section 125.01, Florida Statutes, are amended to read:



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125.01 Powers and duties.—

(1) The legislative and governing body of a county shall have the power to carry on county government. To the extent not inconsistent with general or special law, this power includes, but is not restricted to, the power to:

(g) Prepare and enforce comprehensive plans for the development of the county, to the extent such plans do not contain the prohibitions in s. 377.816.

(h) Establish, coordinate, and enforce zoning and such business regulations as are necessary for the protection of the public, to the extent such zoning and business regulations do not include the prohibitions in s. 377.816.

(r) Levy and collect taxes, both for county purposes and for the providing of municipal services within any municipal service taxing unit, and special assessments; borrow and expend money; and issue bonds, revenue certificates, and other obligations of indebtedness, excluding the prohibitions in s. 377.816, which power shall be exercised in such manner, and subject to such limitations, as may be provided by general law. A ~~There shall be no~~ referendum is not required for the levy by a county of ad valorem taxes, both for county purposes and for the providing of municipal services within any municipal service taxing unit.

1. Notwithstanding any other provision of law, a county may not levy special assessments on lands classified as agricultural lands under s. 193.461 unless the revenue from such assessments has been pledged for debt service and is necessary to meet obligations of bonds or certificates issued by the county which remain outstanding on July 1, 2023, including refundings thereof



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for debt service savings where the maturity of the debt is not extended. For bonds or certificates issued after July 1, 2023, special assessments securing such bonds may not be levied on lands classified as agricultural under s. 193.461.

2. ~~The provisions of~~ Subparagraph 1. does ~~de~~ not apply to residential structures and their curtilage.

Section 34. Subsection (2) of section 166.021, Florida Statutes, is amended to read:

166.021 Powers.—

(2) “Municipal purpose” means any activity or power which may be exercised by the state or its political subdivisions. The term does not include any activity or power exercised relating to the prohibitions in s. 377.816.

Section 35. Section 166.201, Florida Statutes, is amended to read:

166.201 Taxes and charges.—Subject to the prohibitions in s. 377.816, a municipality may raise, by taxation and licenses authorized by the constitution or general law, or by user charges or fees authorized by ordinance, amounts of money which are necessary for the conduct of municipal government and may enforce their receipt and collection in the manner prescribed by ordinance not inconsistent with law.

Section 36. Section 212.205, Florida Statutes, is amended to read:

212.205 Sales tax distribution reporting.—By March 15 of each year, each person who received a distribution pursuant to s. 212.20(6)(d)7.b. and c. ~~s. 212.20(6)(d)6.b. and c.~~ in the preceding calendar year shall report to the Office of Economic and Demographic Research the following information:



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(1) An itemized accounting of all expenditures of the funds distributed in the preceding calendar year, including amounts spent on debt service.

(2) A statement indicating what portion of the distributed funds have been pledged for debt service.

(3) The original principal amount and current debt service schedule of any bonds or other borrowing for which the distributed funds have been pledged for debt service.

Section 37. Paragraphs (a) and (d) of subsection (3) of section 288.11621, Florida Statutes, are amended to read:

288.11621 Spring training baseball franchises.—

(3) USE OF FUNDS.—

(a) A certified applicant may use funds provided under s. 212.20(6)(d)7.b. ~~s. 212.20(6)(d)6.b.~~ only to:

1. Serve the public purpose of acquiring, constructing, reconstructing, or renovating a facility for a spring training franchise.

2. Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.

3. Assist in the relocation of a spring training franchise from one unit of local government to another only if the governing board of the current host local government by a majority vote agrees to relocation.

(d)1. All certified applicants must place unexpended state funds received pursuant to s. 212.20(6)(d)7.b. ~~s.~~



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~~212.20(6)(d)6.b.~~ in a trust fund or separate account for use only as authorized in this section.

2. A certified applicant may request that the Department of Revenue suspend further distributions of state funds made available under s. 212.20(6)(d)7.b. ~~s. 212.20(6)(d)6.b.~~ for 12 months after expiration of an existing agreement with a spring training franchise to provide the certified applicant with an opportunity to enter into a new agreement with a spring training franchise, at which time the distributions shall resume.

3. The expenditure of state funds distributed to an applicant certified before July 1, 2010, must begin within 48 months after the initial receipt of the state funds. In addition, the construction of, or capital improvements to, a spring training facility must be completed within 24 months after the project's commencement.

Section 38. Paragraph (c) of subsection (2) and paragraphs (a), (c), and (d) of subsection (3) of section 288.11631, Florida Statutes, are amended to read:

288.11631 Retention of Major League Baseball spring training baseball franchises.—

(2) CERTIFICATION PROCESS.—

(c) Each applicant certified on or after July 1, 2013, shall enter into an agreement with the department which:

1. Specifies the amount of the state incentive funding to be distributed. The amount of state incentive funding per certified applicant may not exceed \$20 million. However, if a certified applicant's facility is used by more than one spring training franchise, the maximum amount may not exceed \$50 million, and the Department of Revenue shall make distributions



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to the applicant pursuant to s. 212.20(6)(d)7.c. ~~s.~~
~~212.20(6)(d)6.e.~~

2. States the criteria that the certified applicant must meet in order to remain certified. These criteria must include a provision stating that the spring training franchise must reimburse the state for any funds received if the franchise does not comply with the terms of the contract. If bonds were issued to construct or renovate a facility for a spring training franchise, the required reimbursement must be equal to the total amount of state distributions expected to be paid from the date the franchise violates the agreement with the applicant through the final maturity of the bonds.

3. States that the certified applicant is subject to decertification if the certified applicant fails to comply with this section or the agreement.

4. States that the department may recover state incentive funds if the certified applicant is decertified.

5. Specifies the information that the certified applicant must report to the department.

6. Includes any provision deemed prudent by the department.

(3) USE OF FUNDS.—

(a) A certified applicant may use funds provided under s.
212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ only to:

1. Serve the public purpose of constructing or renovating a facility for a spring training franchise.

2. Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the construction or renovation of such facility, or for the



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reimbursement of such costs or the refinancing of bonds issued for such purposes.

(c) The Department of Revenue may not distribute funds under s. 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ until July 1, 2016. Further, the Department of Revenue may not distribute funds to an applicant certified on or after July 1, 2013, until it receives notice from the department that:

1. The certified applicant has encumbered funds under either subparagraph (a)1. or subparagraph (a)2.; and

2. If applicable, any existing agreement with a spring training franchise for the use of a facility has expired.

(d)1. All certified applicants shall place unexpended state funds received pursuant to s. 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ in a trust fund or separate account for use only as authorized in this section.

2. A certified applicant may request that the department notify the Department of Revenue to suspend further distributions of state funds made available under s. 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ for 12 months after expiration of an existing agreement with a spring training franchise to provide the certified applicant with an opportunity to enter into a new agreement with a spring training franchise, at which time the distributions shall resume.

3. The expenditure of state funds distributed to an applicant certified after July 1, 2013, must begin within 48 months after the initial receipt of the state funds. In addition, the construction or renovation of a spring training facility must be completed within 24 months after the project's commencement.



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Section 39. Subsection (1) of section 443.191, Florida Statutes, is amended to read:

443.191 Unemployment Compensation Trust Fund; establishment and control.—

(1) There is established, as a separate trust fund apart from all other public funds of this state, an Unemployment Compensation Trust Fund, which shall be administered by the Department of Commerce exclusively for the purposes of this chapter. The fund must consist of all of the following:

(a) All contributions and reimbursements collected under this chapter.~~†~~

(b) Interest earned on any moneys in the fund.~~†~~

(c) Any property or securities acquired through the use of moneys belonging to the fund.~~†~~

(d) All earnings of these properties or securities.~~†~~

(e) All money credited to this state's account in the federal Unemployment Compensation Trust Fund under 42 U.S.C. s. 1103.~~†~~

(f) All money collected for penalties imposed pursuant to s. 443.151(6)(a).~~†~~

(g) Advances on the amount in the federal Unemployment Compensation Trust Fund credited to the state under 42 U.S.C. s. 1321, as requested by the Governor or the Governor's designee.~~†~~
~~and~~

(h) All money deposited in this account as a distribution pursuant to s. 212.20(6)(d)7.e. ~~s. 212.20(6)(d)6.e.~~

Except as otherwise provided in s. 443.1313(4), all moneys in the fund must be mingled and undivided.



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Section 40. Section 571.26, Florida Statutes, is amended to read:

571.26 Florida Agricultural Promotional Campaign Trust Fund.—There is hereby created the Florida Agricultural Promotional Campaign Trust Fund within the Department of Agriculture and Consumer Services to receive all moneys related to the Florida Agricultural Promotional Campaign. Moneys deposited in the trust fund shall be appropriated for the sole purpose of implementing the Florida Agricultural Promotional Campaign, except for money deposited in the trust fund pursuant to s. 212.20(6)(d)7.e. ~~s. 212.20(6)(d)6.e.~~, which shall be held separately and used solely for the purposes identified in s. 571.265.

Section 41. Subsection (2) of section 571.265, Florida Statutes, is amended to read:

571.265 Promotion of Florida thoroughbred breeding and of thoroughbred racing at Florida thoroughbred tracks; distribution of funds.—

(2) Funds deposited into the Florida Agricultural Promotional Campaign Trust Fund pursuant to s. 212.20(6)(d)7.e. ~~s. 212.20(6)(d)6.e.~~ shall be used by the department to encourage the agricultural activity of breeding thoroughbred racehorses in this state and to enhance thoroughbred racing conducted at thoroughbred tracks in this state as provided in this section. If the funds made available under this section are not fully used in any one fiscal year, any unused amounts shall be carried forward in the trust fund into future fiscal years and made available for distribution as provided in this section.

Section 42. For the purpose of incorporating the amendment



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made by this act to section 163.387, Florida Statutes, in a reference thereto, subsection (9) of section 259.042, Florida Statutes, is reenacted to read:

259.042 Tax increment financing for conservation lands.—

(9) The public bodies and taxing authorities listed in s. 163.387(2)(c), school districts, and special districts that levy ad valorem taxes within a tax increment area are exempt from this section.

Section 43. Effective October 1, 2026, for the purpose of incorporating the amendment made by this act to section 212.05, Florida Statutes, in a reference thereto, section 203.0011, Florida Statutes, is reenacted to read:

203.0011 Combined rate for tax collected pursuant to ss. 203.01(1)(b)4. and 212.05(1)(e)1.c.—In complying with the amendments to ss. 203.01 and 212.05, relating to the additional tax on electrical power or energy, made by this act, a seller of electrical power or energy may collect a combined rate of 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively, if the provider properly reflects the tax collected with respect to the two provisions as required in the return to the Department of Revenue.

Section 44. Effective October 1, 2026, for the purpose of incorporating the amendment made by this act to section 212.05, Florida Statutes, in a reference thereto, section 212.05011, Florida Statutes, is reenacted to read:

212.05011 Combined rate for tax collected pursuant to ss. 203.01(1)(b)4. and 212.05(1)(e)1.c.—In complying with the amendments to ss. 203.01 and 212.05, relating to the additional



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tax on electrical power or energy, made by this act, a seller of electrical power or energy may collect a combined rate of 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively, if the provider properly reflects the tax collected with respect to the two provisions as required in the return to the Department of Revenue.

Section 45. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (c) of subsection (5) of section 125.0104, Florida Statutes, is reenacted to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(5) AUTHORIZED USES OF REVENUE.—

(c) A county located adjacent to the Gulf of America or the Atlantic Ocean, except a county that receives revenue from taxes levied pursuant to s. 125.0108, which meets the following criteria may use up to 10 percent of the tax revenue received pursuant to this section to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area. However, if taxes collected pursuant to this section are used to reimburse emergency medical services or public safety services for tourism or special events, the governing board of a county or municipality may not use such taxes to supplant the normal operating expenses of an emergency medical services department, a fire department, a sheriff's office, or a police department.



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To receive reimbursement, the county must:

1.a. Generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to this section;

b. Have at least three municipalities; and

c. Have an estimated population of less than 275,000, according to the most recent population estimate prepared pursuant to s. 186.901, excluding the inmate population; or

2. Be a fiscally constrained county as described in s. 218.67(1).

The board of county commissioners must by majority vote approve reimbursement made pursuant to this paragraph upon receipt of a recommendation from the tourist development council.

Section 46. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (3) of section 193.624, Florida Statutes, is reenacted to read:

193.624 Assessment of renewable energy source devices.—

(3) This section applies to the installation of a renewable energy source device installed on or after January 1, 2013, to new and existing residential real property. This section applies to a renewable energy source device installed on or after January 1, 2018, to all other real property, except when installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.



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Section 47. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (2) of section 196.182, Florida Statutes, is reenacted to read:

196.182 Exemption of renewable energy source devices.—

(2) The exemption provided in this section does not apply to a renewable energy source device that is installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 48. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.12, Florida Statutes, is reenacted to read:

218.12 Appropriations to offset reductions in ad valorem tax revenue in fiscally constrained counties.—

(1) Beginning in fiscal year 2008-2009, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of Art. VII of the State Constitution approved in the special election held on January 29, 2008. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revision.



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Section 49. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.125, Florida Statutes, is reenacted to read:

218.125 Offset for tax loss associated with certain constitutional amendments affecting fiscally constrained counties.—

(1) Beginning in the 2010-2011 fiscal year, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of ss. 3(f) and 4(b), Art. VII of the State Constitution which were approved in the general election held in November 2008. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revisions.

Section 50. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.135, Florida Statutes, is reenacted to read:

218.135 Offset for tax loss associated with reductions in value of certain citrus fruit packing and processing equipment.—

(1) For the 2018-2019 fiscal year, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of s. 193.4516. The moneys appropriated for this



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purpose shall be distributed in January 2019 among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of s. 193.4516.

Section 51. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.136, Florida Statutes, is reenacted to read:

218.136 Offset for ad valorem revenue loss affecting fiscally constrained counties.—

(1) Beginning in fiscal year 2025-2026, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of s. 6(a), Art. VII of the State Constitution approved in the November 2024 general election. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revision of s. 6(a), Art. VII of the State Constitution.

Section 52. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (cc) of subsection (2) of section 252.35, Florida Statutes, is reenacted to read:

252.35 Emergency management powers; Division of Emergency Management.—

(2) The division is responsible for carrying out the



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provisions of ss. 252.31-252.90. In performing its duties, the division shall:

(cc) Administer a revolving loan program for local government hazard mitigation projects.

Section 53. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (b) of subsection (2) of section 288.0655, Florida Statutes, is reenacted to read:

288.0655 Rural Infrastructure Fund.—

(2)(b) To facilitate access of rural communities and rural areas of opportunity as defined by the Rural Economic Development Initiative to infrastructure funding programs of the Federal Government, such as those offered by the United States Department of Agriculture and the United States Department of Commerce, and state programs, including those offered by Rural Economic Development Initiative agencies, and to facilitate local government or private infrastructure funding efforts, the department may award grants for up to 75 percent of the total infrastructure project cost, or up to 100 percent of the total infrastructure project cost for a project located in a rural community as defined in s. 288.0656(2) which is also located in a fiscally constrained county as defined in s. 218.67(1) or a rural area of opportunity as defined in s. 288.0656(2). Eligible uses of funds may include improving any inadequate infrastructure that has resulted in regulatory action that prohibits economic or community growth and reducing the costs to community users of proposed infrastructure improvements that exceed such costs in comparable communities. Eligible uses of funds include improvements to public infrastructure for



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industrial or commercial sites and upgrades to or development of public tourism infrastructure. Authorized infrastructure may include the following public or public-private partnership facilities: storm water systems; telecommunications facilities; roads or other remedies to transportation impediments; nature-based tourism facilities; or other physical requirements necessary to facilitate tourism, trade, and economic development activities in the community. Authorized infrastructure may also include publicly or privately owned self-powered nature-based tourism facilities, publicly owned telecommunications facilities, and additions to the distribution facilities of the existing natural gas utility as defined in s. 366.04(3)(c), the existing electric utility as defined in s. 366.02, or the existing water or wastewater utility as defined in s. 367.021(12), or any other existing water or wastewater facility, which owns a gas or electric distribution system or a water or wastewater system in this state when:

1. A contribution-in-aid of construction is required to serve public or public-private partnership facilities under the tariffs of any natural gas, electric, water, or wastewater utility as defined herein; and

2. Such utilities as defined herein are willing and able to provide such service.

Section 54. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (4) of section 288.102, Florida Statutes, is reenacted to read:

288.102 Supply Chain Innovation Grant Program.—

(4) A minimum of a one-to-one match of nonstate resources,



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including local, federal, or private funds, to the state contribution is required. An award may not be made for a project that is receiving or using state funding from another state source or statutory program, including tax credits. The one-to-one match requirement is waived for a public entity located in a fiscally constrained county as defined in s. 218.67(1).

Section 55. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (c) of subsection (4) of section 339.2816, Florida Statutes, is reenacted to read:

339.2816 Small County Road Assistance Program.—

(4)

(c) The following criteria must be used to prioritize road projects for funding under the program:

1. The primary criterion is the physical condition of the road as measured by the department.

2. As secondary criteria the department may consider:

a. Whether a road is used as an evacuation route.

b. Whether a road has high levels of agricultural travel.

c. Whether a road is considered a major arterial route.

d. Whether a road is considered a feeder road.

e. Whether a road is located in a fiscally constrained county, as defined in s. 218.67(1).

f. Other criteria related to the impact of a project on the public road system or on the state or local economy as determined by the department.

Section 56. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (h) of subsection (16) of section



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403.064, Florida Statutes, is reenacted to read:

403.064 Reuse of reclaimed water.—

(16) By November 1, 2021, domestic wastewater utilities that dispose of effluent, reclaimed water, or reuse water by surface water discharge shall submit to the department for review and approval a plan for eliminating nonbeneficial surface water discharge by January 1, 2032, subject to the requirements of this section. The plan must include the average gallons per day of effluent, reclaimed water, or reuse water that will no longer be discharged into surface waters and the date of such elimination, the average gallons per day of surface water discharge which will continue in accordance with the alternatives provided for in subparagraphs (a)2. and 3., and the level of treatment that the effluent, reclaimed water, or reuse water will receive before being discharged into a surface water by each alternative.

(h) This subsection does not apply to any of the following:

1. A domestic wastewater treatment facility that is located in a fiscally constrained county as described in s. 218.67(1).

2. A domestic wastewater treatment facility that is located in a municipality that is entirely within a rural area of opportunity as designated pursuant to s. 288.0656.

3. A domestic wastewater treatment facility that is located in a municipality that has less than \$10 million in total revenue, as determined by the municipality's most recent annual financial report submitted to the Department of Financial Services in accordance with s. 218.32.

4. A domestic wastewater treatment facility that is operated by an operator of a mobile home park as defined in s.



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2099 723.003 and has a permitted capacity of less than 300,000
2100 gallons per day.

2101 Section 57. For the purpose of incorporating the amendments
2102 made by this act to section 218.67, Florida Statutes, in
2103 references thereto, paragraph (c) of subsection (6) of section
2104 403.0741, Florida Statutes, is reenacted to read:

2105 403.0741 Grease waste removal and disposal.—

2106 (6) REGULATION BY LOCAL GOVERNMENTS.—

2107 (c) Fiscally constrained counties as described in s.
2108 218.67(1) and small counties as defined in s. 339.2818(2) may
2109 opt out of the requirements of this section.

2110 Section 58. For the purpose of incorporating the amendment
2111 made by this act to section 218.67, Florida Statutes, in
2112 references thereto, subsections (2) and (3) of section 589.08,
2113 Florida Statutes, are reenacted to read:

2114 589.08 Land acquisition restrictions.—

2115 (2) The Florida Forest Service may receive, hold the
2116 custody of, and exercise the control of any lands, and set aside
2117 into a separate, distinct and inviolable fund, any proceeds
2118 derived from the sales of the products of such lands, the use
2119 thereof in any manner, or the sale of such lands save the 25
2120 percent of the proceeds to be paid into the State School Fund as
2121 provided by law. The Florida Forest Service may use and apply
2122 such funds for the acquisition, use, custody, management,
2123 development, or improvement of any lands vested in or subject to
2124 the control of the Florida Forest Service. After full payment
2125 has been made for the purchase of a state forest to the Federal
2126 Government or other grantor, 15 percent of the gross receipts
2127 from a state forest shall be paid to the fiscally constrained



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county or counties, as described in s. 218.67(1), in which it is located in proportion to the acreage located in each county for use by the county or counties for school purposes.

(3) The Florida Forest Service shall pay 15 percent of the gross receipts from the Goethe State Forest to each fiscally constrained county, as described in s. 218.67(1), in which a portion of the respective forest is located in proportion to the forest acreage located in such county. The funds must be equally divided between the board of county commissioners and the school board of each fiscally constrained county.

Section 59. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (f) of subsection (1) of section 1011.62, Florida Statutes, is reenacted to read:

1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:

(1) COMPUTATION OF THE BASE FLORIDA EDUCATION FINANCE PROGRAM.—The following procedure shall be followed in determining the base Florida Education Finance Program funds for each district:

(f) *Small district factor*.—An additional value per full-time equivalent student membership is provided to each school district with a full-time equivalent student membership of fewer than 20,000 full-time equivalent students which is in a fiscally constrained county as described in s. 218.67(1). The amount of



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the additional value shall be specified in the General Appropriations Act.

Section 60. Hunting, fishing, and camping sales tax holiday.—

(1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from September 7, 2026, through December 31, 2026, on the retail sale of:

(a) Ammunition, as defined in s. 790.001, Florida Statutes.

(b) A firearm. For purposes of this section, the term "firearm" means a weapon capable of firing a missile and includes a pistol, rifle, or shotgun using an explosive charge as a propellant.

(c) The following accessories used for firearms:

1. Charging handles.

2. Cleaning kits.

3. Holsters.

4. Pistol grips.

5. Sights or optics.

6. Stocks.

(d) A bow. For purposes of this section, the term "bow" means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, for the purpose of discharging arrows; which propels arrows only by the energy stored by the drawing of the device; and which is handheld, hand-drawn, and hand-released.

(e) A crossbow. For purposes of this section, the term "crossbow" means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, affixed to a stock for the purpose of



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discharging quarrels, bolts, or arrows; which propels quarrels, bolts, or arrows only by the energy stored by the drawing of the device; and which uses a non-handheld locking mechanism to maintain the device in a drawn or ready-to-discharge condition.

(f) The following accessories used for bows or crossbows:

1. Arrows.

2. Bolts.

3. Quarrels.

4. Quivers.

5. Releases.

6. Sights or optics.

7. Wristguards.

(g) Camping supplies. For purposes of this section, the term "camping supplies" means tents with a sales price of \$200 or less; sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less; and camping lanterns and flashlights with a sales price of \$30 or less.

(h) Fishing supplies. For purposes of this section, the term "fishing supplies" means rods and reels with a sales price of \$75 or less if sold individually, or \$150 or less if sold as a set; tackle boxes or bags with a sales price of \$30 or less; and bait or fishing tackle with a sales price of \$10 or less if sold individually, or \$20 or less if multiple items are sold together. The term does not include supplies used for commercial fishing purposes.

(2) The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of implementing



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this section.

Section 61. The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of implementing provisions the amendments made to ss. 203.01, 203.012, 212.04, 212.05, 212.08, 212.0516, and 288.062, Florida Statutes. Notwithstanding any other law, emergency rules adopted under this section are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

Section 62. The Department of Commerce is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of implementing the amendments made to s. 288.062, Florida Statutes. Notwithstanding any other law, emergency rules adopted under this section are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

Section 63. Except as otherwise provided in this act and except for this section, which shall take effect upon becoming a law, this act shall take effect July 1, 2026.

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

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled
An act relating to taxation; amending s. 72.011, F.S.;
authorizing a taxpayer to claim interest under certain



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2244 circumstances; prohibiting a specified timeframe from
2245 being waived or tolled; providing construction and
2246 applicability; amending ss. 125.0168, 166.223, and
2247 189.052, F.S.; prohibiting counties, municipalities,
2248 and special districts, respectively, from levying
2249 certain special assessments against more than a
2250 specified square footage amount per recreational
2251 vehicle parking space or campsite; providing
2252 applicability; amending s. 163.387, F.S.; revising the
2253 list of public bodies or taxing authorities that are
2254 exempt from appropriating certain revenues to the
2255 redevelopment trust fund; amending s. 193.155, F.S.;
2256 providing that the transfer of certain property to a
2257 lineal descendant is not a change in ownership under
2258 certain conditions; requiring a lineal descendant to
2259 file proof of entitlement; deeming certain property
2260 abandoned; providing construction and applicability;
2261 prohibiting a taxpayer from being assessed certain
2262 penalties or interest under certain circumstances;
2263 providing that back taxes apply only under certain
2264 circumstances; amending s. 194.032, F.S.; revising the
2265 purposes for which value adjustment boards are
2266 required to meet; amending s. 196.011, F.S.;
2267 prohibiting a taxpayer from being assessed certain
2268 penalties or interest under certain circumstances;
2269 providing that back taxes apply only under certain
2270 circumstances; amending s. 196.031, F.S.; specifying
2271 that owners who inherit an interest in property are
2272 allowed a tax exemption up to a certain value;



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2273 providing applicability; amending s. 196.081, F.S.;

2274 revising a limitation on the amount of a tax exemption

2275 that a surviving spouse may transfer to a new

2276 residence; amending s. 196.173, F.S.; revising the

2277 list of military operations that qualify certain

2278 servicemembers for an ad valorem tax exemption;

2279 providing applicability; amending s. 196.1978, F.S.;

2280 revising a specified finding that a taxing authority

2281 must make in order to elect not to exempt certain

2282 property from certain ad valorem taxation; authorizing

2283 certain property owners in a multifamily project to

2284 apply for and continue to receive an exemption;

2285 providing applicability; specifying that certain

2286 ordinances are valid until a specified time; amending

2287 s. 200.065, F.S.; providing requirements for levying

2288 certain millage rates for certain taxing authorities;

2289 amending s. 202.18, F.S.; redirecting the transfer of

2290 certain communication services tax proceeds; amending

2291 s. 203.01, F.S.; specifying that a tax is imposed on

2292 gross receipts from utility services delivered to

2293 owners and operators of electric vehicle charging

2294 stations; specifying that the tax is not imposed in

2295 certain circumstances; providing an exception;

2296 specifying that certain owners or operators of

2297 electric vehicle charging stations are liable for a

2298 certain tax; requiring such owners or operators to

2299 register with the Department of Revenue to remit such

2300 tax; specifying the amount of such tax; specifying

2301 that distribution companies are relieved of the



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2302 responsibility of collecting taxes under certain
2303 circumstances; requiring the department to look to
2304 owners and operators of electric vehicle charging
2305 stations for the recovery of taxes; amending s.
2306 203.012, F.S.; revising the definition of the term
2307 "distribution company"; amending s. 212.04, F.S.;
2308 prohibiting taxes from being levied on admission to
2309 specified tournaments; providing for future
2310 expiration; amending s. 212.05, F.S.; providing that
2311 the sales tax rate on electrical power or energy
2312 includes provision of electric vehicle charging;
2313 creating s. 212.0516, F.S.; defining the term
2314 "electric vehicle charging station"; providing that
2315 the provision of electricity to a consumer at an
2316 electric vehicle charging station shall be considered
2317 the retail sale of electricity; specifying the sales
2318 tax rate; providing that certain purchases of
2319 electricity are for resale and include up to a certain
2320 percentage of electricity; specifying that certain
2321 taxes are in addition to certain taxes or fees;
2322 requiring that certain taxes be remitted in a
2323 specified manner; requiring certain recordkeeping for
2324 owners or operators of electric vehicle charging
2325 stations; requiring owners or operators of electric
2326 vehicle charging stations to furnish the seller of
2327 electricity with a specified affidavit and other
2328 information required by the department; providing
2329 civil penalties; specifying that the seller is
2330 relieved from the responsibility of collecting certain



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2331 taxes under certain circumstances; requiring the
2332 department to look solely to owners or operators for
2333 the recovery of taxes under certain circumstances;
2334 providing applicability and construction; authorizing
2335 the department to adopt rules; amending s. 212.08,
2336 F.S.; exempting sales of certain tangible personal
2337 property made to state university contractors from the
2338 sales and use tax under certain circumstances;
2339 specifying that the exemption inures to the state
2340 university at a specified time and only through a
2341 refund of paid taxes; requiring that such refund be
2342 made within a specified timeframe; requiring a state
2343 university to file a specified application at certain
2344 intervals to receive a refund; providing requirements
2345 for the application; requiring the Department of
2346 Revenue to adopt rules; requiring a state university
2347 to file the application under a specified oath;
2348 exempting certain liquefied petroleum gas tanks from
2349 sales and use tax; amending s. 212.20, F.S.; revising
2350 the distribution of sales and use tax revenue to
2351 include a transfer to fiscally constrained counties;
2352 amending s. 218.67, F.S.; revising the conditions
2353 required for a county to be considered a fiscally
2354 constrained county; authorizing certain eligible
2355 counties to receive an additional distribution of
2356 sales and use tax revenue; revising the list of
2357 sources that the department must use to determine the
2358 amount distributed to fiscally constrained counties;
2359 revising the factors for allocation of the



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2360 distribution of revenue to fiscally constrained
2361 counties; requiring that the computation and amount
2362 distributed be calculated using certain methods;
2363 requiring that fiscally constrained counties allocate
2364 such revenues for specified purposes; prohibiting such
2365 revenues from being used for a specified purpose;
2366 amending s. 288.062, F.S.; revising the certified tax
2367 credit amount for investor contributions in the Rural
2368 Community Investment Program; creating s. 377.816,
2369 F.S.; providing legislative findings; defining terms;
2370 prohibiting governmental entities from enacting or
2371 enforcing resolutions, ordinances, rules, codes, or
2372 policies to support a net zero policy; prohibiting
2373 governmental entities from using public funds in any
2374 manner that supports, implements, or advances certain
2375 net zero policies; prohibiting governmental entities
2376 from imposing any charge to advance a net zero policy;
2377 requiring each governmental entity to annually submit
2378 to the Department of Revenue a certain affidavit;
2379 prohibiting governmental entities from implementing,
2380 administering, or enforcing certain programs or
2381 joining organizations that have certain policies;
2382 providing construction; providing exceptions;
2383 providing applicability; amending s. 689.261, F.S.;
2384 defining the terms "listing platform" and "property";
2385 requiring that certain property listings include
2386 estimated ad valorem taxes; prohibiting the use of the
2387 current owner's ad valorem assessment or taxes to
2388 calculate the estimated ad valorem taxes under certain



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2389 circumstances; requiring that listing platforms
2390 calculate and display the estimated ad valorem taxes
2391 using specified methods; prohibiting listing platforms
2392 from displaying the current owner's ad valorem taxes
2393 if such ad valorem taxes are not estimated using a tax
2394 estimator or buyer payment calculator; requiring that
2395 listing platforms include a link to the county
2396 property appraiser's homepage and tax estimator;
2397 requiring the Department of Revenue to maintain on its
2398 website a table of links to each county's property
2399 appraiser's homepage and tax estimator; prohibiting
2400 the previous year's ad valorem taxes from being
2401 displayed as part of a property's historical tax
2402 information; providing immunity for a person for any
2403 inaccuracies in the estimated ad valorem taxes on a
2404 property listed on a listing platform; prohibiting
2405 printed listing materials from including specified
2406 information; requiring the department to develop a
2407 formula that may be used by listing platforms to
2408 calculate the estimated ad valorem taxes; requiring
2409 each county property appraiser to provide to the
2410 department any information needed to develop such
2411 formula; requiring the department, by a specified
2412 date, to annually publish on its website the formula
2413 and information collected; requiring the department to
2414 annually develop a countywide aggregate average
2415 millage rate for each county for use by listing
2416 platforms for a specified purpose; requiring the
2417 department to require each county property appraiser



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2418 to provide to the department any information needed to
2419 develop such rate; requiring the department, by a
2420 specified date and annually thereafter, to publish on
2421 its website the countywide aggregate average millage
2422 rate for each county; authorizing the department to
2423 adopt rules; amending s. 1011.71, F.S.; revising the
2424 definition of the term "school operational purposes";
2425 providing applicability; amending ss. 125.01, 166.021,
2426 and 166.201, F.S.; conforming provisions to changes
2427 made by the act; amending ss. 212.205, 288.11621,
2428 288.11631, 443.191, 571.26, and 571.265, F.S.;
2429 conforming cross-references; reenacting s. 259.042(9),
2430 F.S., relating to tax increment financing for
2431 conservation lands, to incorporate the amendment made
2432 by this act to s. 163.387, F.S.; reenacting ss.
2433 203.0011 and 212.05011, F.S., relating to the combined
2434 rate for tax collected pursuant to certain provisions,
2435 to incorporate the amendments made by this act to s.
2436 212.05, F.S.; reenacting ss. 125.0104(5)(c),
2437 193.624(3), 196.182(2), 218.12(1), 218.125(1),
2438 218.135(1), 218.136(1), 252.35(2)(cc), 288.0655(2)(b),
2439 288.102(4), 339.2816(4)(c), 403.064(16)(h),
2440 403.0741(6)(c), 589.08(2) and (3), and 1011.62(1)(f),
2441 F.S., relating to authorized uses of tourist
2442 development tax revenue; applicability of assessments
2443 of renewable energy source devices; application of
2444 exemptions of renewable energy source devices;
2445 appropriations to offset reductions in ad valorem tax
2446 revenue in fiscally constrained counties; offset for



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2447 tax loss associated with certain constitutional
2448 amendments affecting fiscally constrained counties;
2449 offset for tax loss associated with reductions in
2450 value of certain citrus fruit packing and processing
2451 equipment; offset for ad valorem revenue loss
2452 affecting fiscally constrained counties; Division of
2453 Emergency Management powers; Rural Infrastructure
2454 Fund; one-to-one match requirement under the Supply
2455 Chain Innovation Grant Program; prioritization of road
2456 projects under the Small County Road Assistance
2457 Program; applicability of provisions related to reuse
2458 of reclaimed water; regulation of grease waste removal
2459 and disposal by local governments; land acquisition
2460 restrictions; and funds for operation of schools,
2461 respectively, to incorporate the amendment made to s.
2462 218.67, F.S., in references thereto; exempting from
2463 sales and use tax the retail sale of ammunition,
2464 firearms, certain firearm accessories, bows and
2465 crossbows, certain bow and crossbow accessories,
2466 camping supplies, and fishing supplies; defining
2467 terms; authorizing the department and the Department
2468 of Commerce to adopt emergency rules; specifying the
2469 timeframe in which such rules are effective;
2470 authorizing the renewal of such rules; providing
2471 effective dates.



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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/03/2026	.	
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	.	

The Committee on Appropriations (Smith) recommended the following:

Senate Amendment to Amendment (782234) (with title amendment)

Between lines 33 and 34
insert:

Section 3. Paragraph (a) of subsection (5) of section 125.0104, Florida Statutes, is amended to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(5) AUTHORIZED USES OF REVENUE.—



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(a) All tax revenues received pursuant to this section by a county imposing the tourist development tax shall be used by that county for the following purposes only:

1. To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more:

a. Publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums within the boundaries of the county or subcounty special taxing district in which the tax is levied;

b. Auditoriums that are publicly owned but are operated by organizations that are exempt from federal taxation pursuant to 26 U.S.C. s. 501(c)(3) and open to the public, within the boundaries of the county or subcounty special taxing district in which the tax is levied; or

c. Aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, within the boundaries of the county or subcounty special taxing district in which the tax is levied;

2. To promote zoological parks that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public;

3. To promote and advertise tourism in this state and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event must have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists;

4. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus as county agencies or by



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contract with the chambers of commerce or similar associations in the county, which may include any indirect administrative costs for services performed by the county on behalf of the promotion agency;

5. To finance beach park facilities, or beach, channel, estuary, or lagoon improvement, maintenance, renourishment, restoration, and erosion control, including construction of beach groins and shoreline protection, enhancement, cleanup, or restoration of inland lakes and rivers to which there is public access as those uses relate to the physical preservation of the beach, shoreline, channel, estuary, lagoon, or inland lake or river. However, any funds identified by a county as the local matching source for beach renourishment, restoration, or erosion control projects included in the long-range budget plan of the state's Beach Management Plan, pursuant to s. 161.091, or funds contractually obligated by a county in the financial plan for a federally authorized shore protection project may not be used or loaned for any other purpose. In counties of fewer than 100,000 population, up to 10 percent of the revenues from the tourist development tax may be used for beach park facilities;

6. To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or finance public facilities within the boundaries of the county or subcounty special taxing district in which the tax is levied, if the public facilities are needed to increase tourist-related business activities in the county or subcounty special district and are recommended by the county tourist development council created pursuant to paragraph (4)(e). Tax revenues may be used for any related land acquisition, land improvement, design and engineering costs, and



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all other professional and related costs required to bring the public facilities into service. As used in this subparagraph, the term "public facilities" means major capital improvements that have a life expectancy of 5 or more years, including, but not limited to, transportation, sanitary sewer, solid waste, drainage, potable water, and pedestrian facilities. Tax revenues may be used for these purposes only if the following conditions are satisfied:

a. In the county fiscal year immediately preceding the fiscal year in which the tax revenues were initially used for such purposes, at least \$10 million in tourist development tax revenue was received or the county is a fiscally constrained county, as described in s. 218.67(1), located adjacent to the Gulf of America or the Atlantic Ocean;

b. The county governing board approves the use for the proposed public facilities by a vote of at least two-thirds of its membership;

c. No more than 70 percent of the cost of the proposed public facilities will be paid for with tourist development tax revenues, and sources of funding for the remaining cost are identified and confirmed by the county governing board;

d. At least 40 percent of all tourist development tax revenues collected in the county are spent to promote and advertise tourism as provided by this subsection; and

e. An independent professional analysis, performed at the expense of the county tourist development council, demonstrates the positive impact of the infrastructure project on tourist-related businesses in the county; ~~or~~

7. To employ, train, equip, insure, or otherwise fund the



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provision of lifeguards certified by the American Red Cross, the Y.M.C.A., or an equivalent nationally recognized aquatic training program, for beaches on the Gulf of America or the Atlantic Ocean; or

8. To fund operations and maintenance of a commuter rail service as defined in s. 341.301 within a regional transportation authority established under chapter 343, including operations and maintenance funding contributions agreed to in an interlocal funding agreement between the county and municipal commuter rail funding partners allowing the use of such funds.

Subparagraphs 1. and 2. may be implemented through service contracts and leases with lessees that have sufficient expertise or financial capability to operate such facilities.

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

And the title is amended as follows:

Delete line 2246

and insert:

applicability; amending s. 125.0104, F.S.; revising the purposes for which counties are required to use tourist development tax revenues; amending ss. 125.0168, 166.223, and



734878

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
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The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment to Amendment (782234)

Delete lines 255 - 266
and insert:
granted on property deemed abandoned under s. 193.155(3)(a)6.,
the taxpayer may not be assessed a penalty or interest. Back
taxes shall apply only as follows:

1. If the person who received the homestead exemption as a
result of a clerical mistake or omission or on property deemed
abandoned under s. 193.155(3)(a)6. voluntarily discloses to the



734878

property appraiser that he or she was not entitled to the
homestead exemption before the property appraiser notifies the
owner of the mistake or omission, no back taxes shall be due.

2. If the person who received the homestead exemption as a
result of a clerical mistake or omission or on property deemed
abandoned under s. 193.155(3)(a)6. does not voluntarily



916018

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/03/2026	.	
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The Committee on Appropriations (Rouson) recommended the following:

Senate Amendment to Amendment (782234) (with title amendment)

Between lines 375 and 376
insert:

Section 14. Subsections (1) and (2) of section 196.101, Florida Statutes, are amended to read:

196.101 Exemption for totally and permanently disabled persons.—

(1) Any real estate used and owned as a homestead by any



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quadriplegic or paraplegic is exempt from taxation.

(2) Any real estate used and owned as a homestead by a
~~paraplegic~~, hemiplegic, or other totally and permanently
disabled person, as defined in s. 196.012(11), who must use a
wheelchair for mobility or who is legally blind, is exempt from
taxation.

Section 15. The amendments made by this act to s. 196.101,
Florida Statutes, first apply to the 2027 property tax roll.

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

And the title is amended as follows:

Delete line 2273

and insert:

providing applicability; amending s. 196.101, F.S.;
exempting from taxation real estate used and owed as a
homestead by a paraplegic; conforming provisions to
changes made by the act; providing applicability;
amending s. 196.081, F.S.;



271874

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/02/2026	.	
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The Committee on Appropriations (Smith) recommended the following:

Senate Amendment (with title amendment)

Before line 96

insert:

Section 1. Paragraph (a) of subsection (5) of section 125.0104, Florida Statutes, is amended to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(5) AUTHORIZED USES OF REVENUE.—

(a) All tax revenues received pursuant to this section by a



271874

county imposing the tourist development tax shall be used by that county for the following purposes only:

1. To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more:

a. Publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums within the boundaries of the county or subcounty special taxing district in which the tax is levied;

b. Auditoriums that are publicly owned but are operated by organizations that are exempt from federal taxation pursuant to 26 U.S.C. s. 501(c)(3) and open to the public, within the boundaries of the county or subcounty special taxing district in which the tax is levied; or

c. Aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, within the boundaries of the county or subcounty special taxing district in which the tax is levied;

2. To promote zoological parks that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public;

3. To promote and advertise tourism in this state and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event must have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists;

4. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus as county agencies or by contract with the chambers of commerce or similar associations



271874

in the county, which may include any indirect administrative costs for services performed by the county on behalf of the promotion agency;

5. To finance beach park facilities, or beach, channel, estuary, or lagoon improvement, maintenance, renourishment, restoration, and erosion control, including construction of beach groins and shoreline protection, enhancement, cleanup, or restoration of inland lakes and rivers to which there is public access as those uses relate to the physical preservation of the beach, shoreline, channel, estuary, lagoon, or inland lake or river. However, any funds identified by a county as the local matching source for beach renourishment, restoration, or erosion control projects included in the long-range budget plan of the state's Beach Management Plan, pursuant to s. 161.091, or funds contractually obligated by a county in the financial plan for a federally authorized shore protection project may not be used or loaned for any other purpose. In counties of fewer than 100,000 population, up to 10 percent of the revenues from the tourist development tax may be used for beach park facilities;

6. To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or finance public facilities within the boundaries of the county or subcounty special taxing district in which the tax is levied, if the public facilities are needed to increase tourist-related business activities in the county or subcounty special district and are recommended by the county tourist development council created pursuant to paragraph (4)(e). Tax revenues may be used for any related land acquisition, land improvement, design and engineering costs, and all other professional and related costs required to bring the



271874

public facilities into service. As used in this subparagraph, the term "public facilities" means major capital improvements that have a life expectancy of 5 or more years, including, but not limited to, transportation, sanitary sewer, solid waste, drainage, potable water, and pedestrian facilities. Tax revenues may be used for these purposes only if the following conditions are satisfied:

a. In the county fiscal year immediately preceding the fiscal year in which the tax revenues were initially used for such purposes, at least \$10 million in tourist development tax revenue was received or the county is a fiscally constrained county, as described in s. 218.67(1), located adjacent to the Gulf of America or the Atlantic Ocean;

b. The county governing board approves the use for the proposed public facilities by a vote of at least two-thirds of its membership;

c. No more than 70 percent of the cost of the proposed public facilities will be paid for with tourist development tax revenues, and sources of funding for the remaining cost are identified and confirmed by the county governing board;

d. At least 40 percent of all tourist development tax revenues collected in the county are spent to promote and advertise tourism as provided by this subsection; and

e. An independent professional analysis, performed at the expense of the county tourist development council, demonstrates the positive impact of the infrastructure project on tourist-related businesses in the county; ~~or~~

7. To employ, train, equip, insure, or otherwise fund the provision of lifeguards certified by the American Red Cross, the



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Y.M.C.A., or an equivalent nationally recognized aquatic training program, for beaches on the Gulf of America or the Atlantic Ocean; or

8. To fund operations and maintenance of a commuter rail service as defined in s. 341.301 within a regional transportation authority established under chapter 343, including operations and maintenance funding contributions agreed to in an interlocal funding agreement between the county and municipal commuter rail funding partners allowing the use of such funds.

Subparagraphs 1. and 2. may be implemented through service contracts and leases with lessees that have sufficient expertise or financial capability to operate such facilities.

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

And the title is amended as follows:

Delete line 2

and insert:

An act relating to taxation; amending s. 125.0104, F.S.; revising the purposes for which counties are required to use tourist development tax revenues; amending ss. 125.0168,



216690

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/02/2026	.	
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The Committee on Appropriations (Rouson) recommended the following:

Senate Amendment (with title amendment)

Between lines 139 and 140
insert:

Section 5. Subsections (1), (2), and (5) of section
196.101, Florida Statutes, are amended to read:

196.101 Exemption for totally and permanently disabled
persons.—

(1) Any real estate used and owned as a homestead by any
quadriplegic or paraplegic is exempt from taxation.



216690

(2) Any real estate used and owned as a homestead by a ~~paraplegic~~, hemiplegic, or other totally and permanently disabled person, as defined in s. 196.012(11), who must use a wheelchair for mobility or who is legally blind, is exempt from taxation.

(5) The physician's certification shall read as follows:

PHYSICIAN'S CERTIFICATION OF
TOTAL AND PERMANENT DISABILITY

I, ...(name of physician)..., a physician licensed pursuant to chapter 458 or chapter 459, Florida Statutes, hereby certify Mr. Mrs. Miss Ms.(name of totally and permanently disabled person)..., social security number, is totally and permanently disabled as of January 1, ...(year)..., due to the following mental or physical condition(s):

.... Quadriplegia

~~.... Paraplegia~~

.... Hemiplegia

.... Other total and permanent disability requiring use of a wheelchair for mobility

.... Legal Blindness

It is my professional belief that the above-named condition(s) render Mr. Mrs. Miss Ms.(name of totally and permanently disabled person)... totally and permanently disabled, and that the foregoing statements are true, correct, and complete to the best of my knowledge and professional



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belief.

Signature
Address (print)
Date
Florida Board of Medicine or Osteopathic Medicine license number
.....
Issued on

NOTICE TO TAXPAYER: Each Florida resident applying for a total
and permanent disability exemption must present to the county
property appraiser, on or before March 1 of each year, a copy of
this form or a letter from the United States Department of
Veterans Affairs or its predecessor. Each form is to be
completed by a licensed Florida physician.

NOTICE TO TAXPAYER AND PHYSICIAN: Section 196.131(2), Florida
Statutes, provides that any person who shall knowingly and
willfully give false information for the purpose of claiming
homestead exemption shall be guilty of a misdemeanor of the
first degree, punishable by a term of imprisonment not exceeding
1 year or a fine not exceeding \$5,000, or both.

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

And the title is amended as follows:

Delete line 8

and insert:

providing applicability; amending s. 196.101, F.S.;
exempting from taxation real estate used and owed as a



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homestead by a paraplegic; conforming provisions to
changes made by the act; amending s. 196.1978, F.S.;

By the Committee on Finance and Tax

593-03228-26

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1 A bill to be entitled
 2 An act relating to taxation; amending ss. 125.0168,
 3 166.223, and 189.052, F.S.; prohibiting counties,
 4 municipalities, and special districts, respectively,
 5 from levying certain special assessments against more
 6 than a specified square footage amount per
 7 recreational vehicle parking space or campsite;
 8 providing applicability; amending s. 196.1978, F.S.;
 9 revising a specified finding that a taxing authority
 10 must make in order to elect not to exempt certain
 11 property from certain ad valorem taxation; providing
 12 applicability; authorizing certain property owners in
 13 a multifamily project to apply for and continue to
 14 receive an exemption; amending s. 200.065, F.S.;
 15 providing requirements for levying certain millage
 16 rates for certain taxing authorities; amending s.
 17 202.18, F.S.; redirecting the transfer of certain
 18 communication services tax proceeds; amending s.
 19 212.08, F.S.; exempting certain liquefied petroleum
 20 gas tanks from sales and use tax; amending s. 212.20,
 21 F.S.; revising the distribution of sales and use tax
 22 revenue to include a transfer to fiscally constrained
 23 counties; amending s. 218.67, F.S.; revising the
 24 conditions required for a county to be considered a
 25 fiscally constrained county; authorizing eligible
 26 counties to receive a distribution of sales and use
 27 tax revenue; revising the sources that the Department
 28 of Revenue must use to determine the amount
 29 distributed to fiscally constrained counties; revising

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

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30 the factors for allocation of the distribution of
 31 revenue to fiscally constrained counties; requiring
 32 that the computation and amount distributed be
 33 calculated using certain methods; authorizing
 34 specified uses for the revenue; creating s. 377.817,
 35 F.S.; defining terms; providing legislative findings;
 36 providing a declaration of state policy; prohibiting
 37 governmental entities from adopting or requiring the
 38 adoption of net-zero policies; prohibiting
 39 governmental entities from expending government funds
 40 to support, implement, or advance net-zero policies;
 41 specifying prohibited expenditures; prohibiting
 42 governmental entities from imposing taxes, fees,
 43 penalties, charges, offsets, or assessments to advance
 44 net-zero policies; prohibiting governmental entities
 45 from implementing, administering, or enforcing a
 46 program that functions as a cap-and-trade program or
 47 has such effect; requiring, beginning on a specified
 48 date, the Department of Environmental Protection to
 49 require a specified annual affidavit from all
 50 governmental entities; providing applicability;
 51 amending s. 1011.71, F.S.; revising the definition of
 52 the term "school operational purposes"; providing
 53 applicability; amending ss. 125.01, 166.021, and
 54 166.201, F.S.; conforming provisions to changes made
 55 by the act; amending ss. 212.205, 288.11621,
 56 288.11631, 443.191, 571.26, and 571.265, F.S.;
 57 conforming cross-references; reenacting ss.
 58 125.0104(5)(c), 193.624(3), 196.182(2), 218.12(1),

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59 218.125(1), 218.135(1), 218.136(1), 252.35(2)(cc),
 60 288.0655(2)(b), 288.102(4), 339.2816(4)(c),
 61 403.064(16)(h), 403.0741(6)(c), 589.08(2) and (3), and
 62 1011.62(1)(f), F.S., relating to authorized uses of
 63 tourist development tax revenue; applicability of
 64 assessments of renewable energy source devices;
 65 application of exemptions of renewable energy source
 66 devices; appropriations to offset reductions in ad
 67 valorem tax revenue in fiscally constrained counties;
 68 offset for tax loss associated with certain
 69 constitutional amendments affecting fiscally
 70 constrained counties; offset for tax loss associated
 71 with reductions in value of certain citrus fruit
 72 packing and processing equipment; offset for ad
 73 valorem revenue loss affecting fiscally constrained
 74 counties; Division of Emergency Management powers;
 75 Rural Infrastructure Fund; one-to-one match
 76 requirement under the Supply Chain Innovation Grant
 77 Program; prioritization of road projects under the
 78 Small County Road Assistance Program; applicability of
 79 provisions related to reuse of reclaimed water;
 80 regulation of grease waste removal and disposal by
 81 local governments; land acquisition restrictions; and
 82 funds for operation of schools, respectively, to
 83 incorporate the amendment made to s. 218.67, F.S., in
 84 references thereto; exempting from sales and use tax
 85 the retail sale of ammunition, firearms, certain
 86 firearm accessories, bows, and crossbows, certain bow
 87 and crossbow accessories, camping supplies, and

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88 fishing supplies; defining terms; authorizing the
 89 department to adopt emergency rules; specifying the
 90 timeframe in which such rules are effective;
 91 authorizing the renewal of such rules; providing
 92 effective dates.
 93

94 Be It Enacted by the Legislature of the State of Florida:
 95

96 Section 1. Effective upon becoming a law, section 125.0168,
 97 Florida Statutes, is amended to read:

98 125.0168 Special assessments levied on recreational vehicle
 99 parks regulated under chapter 513.—When a county levies a non-ad
 100 valorem special assessment on a recreational vehicle park
 101 regulated under chapter 513, the non-ad valorem special
 102 assessment may ~~shall~~ not be based on the assertion that the
 103 recreational vehicle park is composed ~~comprised~~ of residential
 104 units. Instead, recreational vehicle parks regulated under
 105 chapter 513 shall be assessed as a commercial entity in the same
 106 manner as a hotel, motel, or other similar facility. A non-ad
 107 valorem special assessment levied on a square footage basis may
 108 not be levied against more than 400 square feet per recreational
 109 vehicle parking space or campsite.

110 Section 2. Effective upon becoming a law, section 166.223,
 111 Florida Statutes, is amended to read:

112 166.223 Special assessments levied on recreational vehicle
 113 parks regulated under chapter 513.—When a municipality levies a
 114 non-ad valorem special assessment on a recreational vehicle park
 115 regulated under chapter 513, the non-ad valorem special
 116 assessment may ~~shall~~ not be based on the assertion that the

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

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 117 recreational vehicle park is composed ~~comprised~~ of residential
 118 units. Instead, recreational vehicle parks regulated under
 119 chapter 513 shall be assessed as a commercial entity in the same
 120 manner as a hotel, motel, or other similar facility. A non-ad
 121 valorem special assessment levied on a square footage basis may
 122 not be levied against more than 400 square feet per recreational
 123 vehicle parking space or campsite.

124 Section 3. Effective upon becoming a law, section 189.052,
 125 Florida Statutes, is amended to read:

126 189.052 Assessments levied on facilities regulated under
 127 chapter 513.—When an independent or dependent special district
 128 levies an assessment on a facility regulated under chapter 513,
 129 the assessment may ~~shall~~ not be based on the assertion that the
 130 facility is composed ~~comprised~~ of residential units. Instead,
 131 facilities regulated under chapter 513 shall be assessed in the
 132 same manner as a hotel, motel, or other similar facility. An
 133 assessment levied on a square footage basis may not be levied
 134 against more than 400 square feet per recreational vehicle
 135 parking space or campsite.

136 Section 4. (1) The amendments made by this act to ss.
 137 125.0168, 166.223, and 189.052, Florida Statutes, first apply to
 138 the 2026 assessment roll.

139 (2) This section shall take effect upon becoming a law.

140 Section 5. Paragraph (o) of subsection (3) of section
 141 196.1978, Florida Statutes, is amended to read:

142 196.1978 Affordable housing property exemption.—

143 (3)

144 (o)1. Beginning with the 2025 tax roll, a taxing authority
 145 may elect, upon adoption of an ordinance or resolution approved

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 146 by a two-thirds vote of the governing body, not to exempt
 147 property under sub-subparagraph (d)1.a. located in a county
 148 specified pursuant to subparagraph 2., subject to the conditions
 149 of this paragraph.

150 2. A taxing authority must make a finding in the ordinance
 151 or resolution that annual housing reports ~~the most recently~~
 152 published by the Shimberg Center for Housing Studies Annual
 153 Report, prepared pursuant to s. 420.6075 identify, ~~identifies~~
 154 that a county that is part of the jurisdiction of the taxing
 155 authority is within a metropolitan statistical area or region
 156 where, for each of the previous 3 years, the number of
 157 affordable and available units in the metropolitan statistical
 158 area or region is greater than the number of renter households
 159 in the metropolitan statistical area or region for the category
 160 entitled "0-120 percent AMI."

161 3. An election made pursuant to this paragraph may apply
 162 only to the ad valorem property tax levies imposed within a
 163 county specified pursuant to subparagraph 2. by the taxing
 164 authority making the election.

165 4. The ordinance or resolution must take effect on the
 166 January 1 immediately succeeding adoption and shall expire on
 167 the second January 1 after the January 1 in which the ordinance
 168 or resolution takes effect. The ordinance or resolution may be
 169 renewed prior to its expiration pursuant to this paragraph.

170 5. The taxing authority proposing to make an election under
 171 this paragraph must advertise the ordinance or resolution or
 172 renewal thereof pursuant to the requirements of s. 50.011(1)
 173 prior to adoption.

174 6. The taxing authority must provide to the property

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appraiser the adopted ordinance or resolution or renewal thereof by the effective date of the ordinance or resolution or renewal thereof.

7. Notwithstanding an ordinance or resolution or renewal thereof adopted pursuant to this paragraph, property in a multifamily project that received an exemption pursuant to subparagraph (d)1.a. before the adoption or renewal of such ordinance or resolution may continue to receive such exemption for each subsequent consecutive year that the same owner or each successive owner applies for and is granted the exemption.

8. Notwithstanding an ordinance or a resolution or a renewal thereof adopted pursuant to this paragraph, the owner of a property in a multifamily project that received a final site plan approval within 4 years before the adoption of such ordinance or resolution may apply for and be granted the exemption under sub-subparagraph (d)1.a. after meeting the requirements of this subsection and may continue to receive such exemption for each subsequent consecutive year that the same owner or each successive owner applies for and is granted the exemption.

Section 6. The amendments made by this act to s. 196.1978, Florida Statutes, first apply to the 2027 property tax roll.

Section 7. Paragraph (b) of subsection (5) of section 200.065, Florida Statutes, is amended to read:

200.065 Method of fixing millage.—

(5) In each fiscal year:

(b) The millage rate of a county or municipality, municipal service taxing unit of that county, and any special district dependent to that county or municipality may exceed the maximum

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millage rate calculated pursuant to this subsection if the total county ad valorem taxes levied or total municipal ad valorem taxes levied do not exceed the maximum total county ad valorem taxes levied or maximum total municipal ad valorem taxes levied respectively. Voted millage and taxes levied by a municipality or independent special district that has levied ad valorem taxes for less than 5 years are not subject to this limitation. The nonvoted millage rate that any other taxing authority that is subject to this limitation may levy in its first year or in a year immediately succeeding a year in which the millage rate was zero must be approved by a vote as provided in subparagraph (a)2. The millage rate of a county authorized to levy a county public hospital surtax under s. 212.055 may exceed the maximum millage rate calculated pursuant to this subsection to the extent necessary to account for the revenues required to be contributed to the county public hospital. Total taxes levied may exceed the maximum calculated pursuant to subsection (6) as a result of an increase in taxable value above that certified in subsection (1) if such increase is less than the percentage amounts contained in subsection (6) or if the administrative adjustment cannot be made because the value adjustment board is still in session at the time the tax roll is extended; otherwise, millage rates subject to this subsection may be reduced so that total taxes levied do not exceed the maximum.

Any unit of government operating under a home rule charter adopted pursuant to ss. 10, 11, and 24, Art. VIII of the State Constitution of 1885, as preserved by s. 6(e), Art. VIII of the State Constitution, which is granted the authority in the State

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Constitution to exercise all the powers conferred now or hereafter by general law upon municipalities and which exercises such powers in the unincorporated area shall be recognized as a municipality under this subsection. For a downtown development authority established before the effective date of the State Constitution which has a millage that must be approved by a municipality, the governing body of that municipality shall be considered the governing body of the downtown development authority for purposes of this subsection.

Section 8. Paragraph (c) of subsection (2) of section 202.18, Florida Statutes, is amended, and paragraph (b) of subsection (2) of that section is republished, to read:

202.18 Allocation and disposition of tax proceeds.—The proceeds of the communications services taxes remitted under this chapter shall be treated as follows:

(2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated as follows:

(b) Fifty-five and nine-tenths percent of the remainder shall be allocated to the state and distributed pursuant to s. 212.20(6), except that the proceeds allocated pursuant to s. 212.20(6)(d)2.b. shall be prorated to the participating counties in the same proportion as that month's collection of the taxes and fees imposed pursuant to chapter 212 and paragraph (1)(b).

(c)1. After the distribution required under paragraph (b), the remainder ~~During each calendar year, the remaining portion of the proceeds~~ shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and ~~Seventy percent of such proceeds shall be~~ allocated in the same proportion as the allocation of total receipts of the half-cent sales tax under s.

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218.61 and the emergency distribution under s. 218.65 in the prior state fiscal year. ~~Thirty percent of such proceeds shall be distributed pursuant to s. 218.67.~~

2. The proportion of the proceeds allocated based on the emergency distribution under s. 218.65 shall be distributed pursuant to s. 218.65.

3. In each calendar year, the proportion of the proceeds allocated based on the half-cent sales tax under s. 218.61 shall be allocated to each county in the same proportion as the county's percentage of total sales tax allocation for the prior state fiscal year and distributed pursuant to s. 218.62.

4. The department shall distribute the appropriate amount to each municipality and county each month at the same time that local communications services taxes are distributed pursuant to subsection (3).

Section 9. Paragraph (ffff) is added to subsection (7) of section 212.08, Florida Statutes, to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed

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by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ffff) Liquefied petroleum gas tanks.—Portable tanks for butane gas, propane gas, natural gas, or all other forms of liquefied petroleum gases with a capacity of 20 pounds or less are exempt from the tax imposed by this chapter.

Section 10. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other

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taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred in two parts:

a. The total amount of \$50 million of the communications services taxes remitted pursuant to s. 202.18(1)(b) and (2)(b), in any fiscal year, shall be distributed by the department by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program created in s. 337.4031; and

b. The remainder shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning October 1, 2025, the amount to be transferred shall be reduced by 0.1018 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

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349 5. After the distributions under subparagraphs 1., 2., and
 350 3., 1.3653 percent of the available proceeds shall be
 351 transferred monthly to the Revenue Sharing Trust Fund for
 352 Municipalities pursuant to s. 218.215. If the total revenue to
 353 be distributed pursuant to this subparagraph is at least as
 354 great as the amount due from the Revenue Sharing Trust Fund for
 355 Municipalities and the former Municipal Financial Assistance
 356 Trust Fund in state fiscal year 1999-2000, no municipality shall
 357 receive less than the amount due from the Revenue Sharing Trust
 358 Fund for Municipalities and the former Municipal Financial
 359 Assistance Trust Fund in state fiscal year 1999-2000. If the
 360 total proceeds to be distributed are less than the amount
 361 received in combination from the Revenue Sharing Trust Fund for
 362 Municipalities and the former Municipal Financial Assistance
 363 Trust Fund in state fiscal year 1999-2000, each municipality
 364 shall receive an amount proportionate to the amount it was due
 365 in state fiscal year 1999-2000.

366 6. After the distributions required under subparagraphs 1.-
 367 5., the greater of \$50 million or 0.1412 percent of the
 368 available proceeds shall be transferred in each fiscal year to
 369 fiscally constrained counties pursuant to s. 218.67.

370 7. Of the remaining proceeds:

371 a. In each fiscal year, the sum of \$29,915,500 shall be
 372 divided into as many equal parts as there are counties in this
 373 ~~the~~ state, and one part shall be distributed to each county. The
 374 distribution among the several counties must begin each fiscal
 375 year on or before January 5th and continue monthly for a total
 376 of 4 months. If a local or special law required that any moneys
 377 accruing to a county in fiscal year 1999-2000 under the then-

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378 existing provisions of s. 550.135 be paid directly to the
 379 district school board, special district, or a municipal
 380 government, such payment must continue until the local or
 381 special law is amended or repealed. The state covenants with
 382 holders of bonds or other instruments of indebtedness issued by
 383 local governments, special districts, or district school boards
 384 before July 1, 2000, that it is not the intent of this
 385 subparagraph to adversely affect the rights of those holders or
 386 relieve local governments, special districts, or district school
 387 boards of the duty to meet their obligations as a result of
 388 previous pledges or assignments or trusts entered into which
 389 obligated funds received from the distribution to county
 390 governments under then-existing s. 550.135. This distribution
 391 specifically is in lieu of funds distributed under s. 550.135
 392 before July 1, 2000.

393 b. The department shall distribute \$166,667 monthly to each
 394 applicant certified as a facility for a new or retained
 395 professional sports franchise pursuant to s. 288.1162. Up to
 396 \$41,667 shall be distributed monthly by the department to each
 397 certified applicant as defined in s. 288.11621 for a facility
 398 for a spring training franchise. However, not more than \$416,670
 399 may be distributed monthly in the aggregate to all certified
 400 applicants for facilities for spring training franchises.
 401 Distributions begin 60 days after such certification and
 402 continue for not more than 30 years, except as otherwise
 403 provided in s. 288.11621. A certified applicant identified in
 404 this sub-subparagraph may not receive more in distributions than
 405 expended by the applicant for the public purposes provided in s.
 406 288.1162(5) or s. 288.11621(3).

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c. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

d. The department shall distribute \$15,333 monthly to the State Transportation Trust Fund.

e. Beginning July 1, 2023, in each fiscal year, the department shall distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund under s. 571.26, for further distribution in accordance with s. 571.265.

8.7- All other proceeds must remain in the General Revenue Fund.

Section 11. Section 218.67, Florida Statutes, is amended to read:

218.67 Distribution for fiscally constrained counties.—

(1) Each county ~~that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656 or each county~~ for which the value of a mill will raise

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no more than \$10 \$5 million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., from the previous July 1, ~~is shall be~~ considered a fiscally constrained county.

(2) Each fiscally constrained county government that participates in the local government half-cent sales tax shall be eligible to receive an additional distribution ~~from the Local Government Half-cent Sales Tax Clearing Trust Fund,~~ as provided in s. 212.20(6)(d)6. s. 202.18(2)(e)1-, in addition to its regular monthly distribution provided under this part and any emergency or supplemental distribution under s. 218.65.

(3) The amount to be distributed to each fiscally constrained county shall be determined by the Department of Revenue at the beginning of the fiscal year, using the prior fiscal year's sales and use tax collections from the most recent fiscal year that reports 12 months of collections ~~July 1 taxable value certified pursuant to s. 1011.62(4)(a)1.a., tax data, the~~ population as defined in s. 218.21, and the most current calendar year per capita personal income, as initially reported by the Bureau of Economic Analysis of the United States Department of Commerce ~~millage rate levied for the prior fiscal year.~~ The amount distributed shall be allocated based upon the following factors:

(a) The ~~contribution-to-revenue relative revenue-raising-capacity~~ factor for each participating county must equal 100 multiplied by a quotient, the numerator of which is the county's population and the denominator of which is the state sales and use tax collections attributable to the county ~~shall be the ability of the eligible county to generate ad valorem revenues~~

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from 1 mill of taxation on a per capita basis. A county that raises no more than \$25 per capita from 1 mill shall be assigned a value of 1; a county that raises more than \$25 but no more than \$30 per capita from 1 mill shall be assigned a value of 0.75; and a county that raises more than \$30 but no more than \$50 per capita from 1 mill shall be assigned a value of 0.5. No value shall be assigned to counties that raise more than \$50 per capita from 1 mill of ad valorem taxation.

(b) The personal-income local-effort factor must equal a quotient, the numerator of which is the median per capita personal income of participating counties and the denominator of which is the county's per capita personal income shall be a measure of the relative level of local effort of the eligible county as indicated by the millage rate levied for the prior fiscal year. The local-effort factor shall be the most recently adopted countywide operating millage rate for each eligible county multiplied by 0.1.

(c) Each eligible county's proportional allocation of the total amount available to be distributed to all of the eligible counties must ~~shall~~ be in the same proportion as the sum of the county's two factors is to the sum of the two factors for all eligible counties. The proportional rate computation must be carried to the fifth decimal place, and the amount to distribute to each county must be rounded to the nearest whole dollar amount. The counties that are eligible to receive an allocation under this subsection and the amount available to be distributed to such counties ~~do shall~~ not include counties participating in the phaseout period under subsection (4) or the amounts they remain eligible to receive during the phaseout.

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(4) For those counties that no longer qualify under the requirements of subsection (1) after the effective date of this act, there shall be a 2-year phaseout period. Beginning on July 1 of the year following the year in which the value of a mill for that county exceeds \$10 \$5 million in revenue, the county shall receive two-thirds of the amount received in the prior year, and beginning on July 1 of the second year following the year in which the value of a mill for that county exceeds \$10 \$5 million in revenue, the county shall receive one-third of the amount received in the last year that the county qualified as a fiscally constrained county. Following the 2-year phaseout period, the county ~~is shall~~ no longer be eligible to receive any distributions under this section unless the county can be considered a fiscally constrained county as provided in subsection (1).

(5)(a) The revenues received under this section must be allocated ~~may be used~~ by a county to be used for the following purposes:

1. Fifty percent for public safety, including salary expenditures for law enforcement officers or correctional officers, as those terms are defined in s. 943.10(1) and (2), respectively, firefighters as defined in s. 633.102, and emergency medical technicians or paramedics as those terms are defined in s. 401.23.

2. Thirty percent for infrastructure needs.

3. Twenty percent for any public purpose.

(b) The revenues received under this section ~~any public purpose, except that such revenues~~ may not be used to pay debt service on bonds, notes, certificates of participation, or any

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other forms of indebtedness.

Section 12. Section 377.817, Florida Statutes, is created to read:

377.817 Net-zero and carbon policies, expenditures, taxes, assessments, or trade programs; prohibition.-

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

(a) "Business activity" means any activity or series of activities that:

1. Involve the emission of a greenhouse gas or a combination thereof; and

2. Form a single undertaking or enterprise with regard to any relevant circumstances.

(b) "Carbon dioxide" means a naturally occurring gas composed of one carbon atom and two oxygen atoms which occurs as a byproduct of burning fossil fuels, such as oil, gas, or coal; a byproduct of burning biomass; a byproduct of land use changes; or a byproduct of industrial processes.

(c) "Carbon dioxide equivalent emissions" means the number of metric tons of carbon dioxide emissions with the same global warming potential as 1 metric ton of another greenhouse gas.

(d) "Carbon-intensive activity" means any business activity or other activity performed by a person which supports any of the following:

1. The movement of people or goods through methods of transportation, including automobiles, commercial vehicles, freight haulers, aircraft, vessels, pipelines, delivery devices, and similar methods, and the use of energy resources to power or operate such transportation methods.

2. The creation or transmission of energy resources for the

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following commercial and residential uses: electricity; manufacturing; sustaining human life, including refrigeration and cooling in enclosed or partially enclosed spaces; waste management; or the operation or manufacturing of appliances for human use.

3. The performance of activities to support the production of a carbon-intensive product, including farming, agriculture, hunting and gathering, or the taking of fish and wildlife to sustain human life.

4. The operation or purchase of a vessel for transporting a person or an object by use of an energy source.

5. The use of methods authorized by authorities to take fish and wildlife resources.

6. The mining, exploration, or manufacturing of products to support the continued livelihood of mankind.

(e) "Carbon-intensive product" means any of the following, including a product containing a component of such:

1. Products containing iron; steel; steel mill products, including pipe and tube; aluminum; cement; glass, including flat, container, and specialty glass and fiberglass; oil or a component thereof; minerals and metals; pulp; and paper.

2. An agricultural commodity or product, whether raw or processed, including a commodity or product derived from livestock which is marketed in the United States for human or livestock consumption. The term also includes agricultural, aquacultural, horticultural, viticultural, and dairy products; livestock and the products thereof; the products of poultry and bee raising; the edible products of forestry; and products raised or produced on farms and the processed or manufactured

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products thereof transported or intended to be transported in interstate or foreign commerce.

(f) "Emissions" means the release of greenhouse gases into the atmosphere or air by a person.

(g) "Governmental entity" means the state or any political subdivision thereof, including the executive, legislative, and judicial branches of government; the independent establishments of the state, counties, municipalities, districts, authorities, boards, or commissions; and any agencies subject to this chapter. The term also includes community development districts, improvement districts, and homeowners' associations.

(h) "Government funds" means state funds, as that term is described in s. 215.31, and any moneys of the state or of any Florida College System institution or state university, county, school district, political subdivision, special district, metropolitan government, or municipality, including agencies, boards, bureaus, commissions, and institutions of any of the foregoing, or of any court, and includes the moneys of all county officers, including constitutional officers.

(i) "Greenhouse gas" means any of the following gases: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, or nitrogen trifluoride.

(j) "Net-zero policy" means any target, threshold, initiative, action, framework, requirement, or policy related to reducing the use of a carbon-intensive product or activity, including:

1. A requirement imposed by a governmental entity which requires the governmental entity to meet a statewide, regional, or geographically specific reduction in carbon dioxide or

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greenhouse gas emissions equal to zero or when annual anthropogenic emissions of greenhouse gases or carbon dioxide equivalent emissions to the atmosphere are balanced by removals over a specific period.

2. A requirement imposed by a governmental entity which requires a person or business activity, including a carbon-intensive activity, to do any of the following:

a. Meet a specific reduction in greenhouse gas or carbon dioxide equivalent emissions equal to zero or when annual anthropogenic emissions of greenhouse gases into the atmosphere are balanced by removals over a specific period.

b. Meet any goal of the Paris Agreement, defined as the resolution adopted by the United Nations Framework Convention on Climate Change's 21st Conference of the Parties in Paris, France; or any similar initiative adopted by the Federal Government or any geopolitical organization affiliated with the World Bank or World Economic Forum related to such.

c. Support the goal of a regional governing authority or multistate entity that commits to a reduction in greenhouse gas emissions equal to zero or when annual anthropogenic emissions of greenhouse gases to the atmosphere are balanced by removals over a specific period.

d. Restrict a carbon-intensive activity from which a person would not otherwise be restricted, for the sole purpose of meeting a net-zero policy. This may not be construed to legalize an otherwise illegal action by a person.

e. Prohibit the use, sale, purchase, or exchange of a carbon-intensive product or carbon for the sole purpose of meeting a net-zero policy. This may not be construed to legalize

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an otherwise illegal action by a person.

(2) DECLARATION OF POLICY.—The Legislature finds that net-zero policies, carbon taxes and assessments, and carbon emissions trading programs, commonly known as “cap-and-trade” or “cap-and-tax” programs, are detrimental to the state’s energy security and economic interests. It is the policy of this state to govern under the energy policy outlined in s. 377.601 and to prohibit the adoption or implementation of a net-zero policy by a governmental entity in any way, including through government expenditures, taxes, assessments, or carbon emissions trading programs.

(3) PROHIBITED POLICIES.—A governmental entity may not adopt, or require a person to adopt, a net-zero policy. This prohibition includes references to or the inclusion of such policies in comprehensive plans, land development regulations, transportation plans, or any published or adopted government policy or procedure.

(4) PROHIBITED EXPENDITURES.—A governmental entity may not expend government funds to a person in a manner that supports, implements, or advances a net-zero policy, including by doing any of the following:

(a) Providing procurement or purchasing preferences for non-carbon-intensive products.

(b) Instituting purchasing preferences for passenger vehicles, commercial vehicles, or heavy equipment based solely on the fuel source of such vehicles or equipment.

(c) Expending government funds to pay dues for a nongovernmental organization, including a trade association or league of government entities, that has adopted or supports a

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net-zero policy.

(5) PROHIBITED TAXATION AND ASSESSMENTS.—A governmental entity may not impose a tax, a fee, a penalty, a charge, an offset, or an assessment to advance a net-zero policy. This includes, but shall not be limited to, a tax, a fee, a penalty, a charge, an offset, or an assessment on any of the following:

(a) The carbon content of a fuel.

(b) The emission of carbon dioxide or other greenhouse gas which results from the use, production, or consumption of a good or service.

(c) A carbon-intensive activity.

(d) The use, sale, purchase, or exchange of a carbon-intensive product or carbon-intensive activity to advance a net-zero policy.

(6) PROHIBITED CAP-AND-TRADE PROGRAMS.—A governmental entity may not implement, administer, or enforce a program that has the effect of doing any of the following:

(a) Establishing a statewide, regional, or geographic specific limit or cap on the amount of emissions of carbon dioxide or other greenhouse gas which result from the use, production, or consumption of a carbon-intensive product or carbon-intensive activity.

(b) Providing for the allocation, auction, or transfer of emissions allowances or credits among pollutant sources as a means of compliance with emissions limits.

(c) Requiring a governmental entity or a person within this state to participate in a carbon emissions trading program.

(7) AFFIDAVIT.—Beginning January 1, 2027, the Department of Environmental Protection shall annually require all governmental

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697 entities to submit an affidavit signed under penalty of perjury
 698 by an authorized official of the governmental entity attesting
 699 compliance with this section.

700 (8) APPLICABILITY.—This section applies to a proposed
 701 action by a governmental entity on or after July 1, 2026, which
 702 is otherwise not allowable by law.

703 Section 13. Subsection (9) of section 1011.71, Florida
 704 Statutes, is amended to read:

705 1011.71 District school tax.—

706 (9) In addition to the maximum millage levied under this
 707 section and the General Appropriations Act, a school district
 708 may levy, by local referendum or in a general election,
 709 additional millage for school operational purposes up to an
 710 amount that, when combined with nonvoted millage levied under
 711 this section, does not exceed the 10-mill limit established in
 712 s. 9(b), Art. VII of the State Constitution. Any such levy shall
 713 be for a maximum of 4 years and shall be counted as part of the
 714 10-mill limit established in s. 9(b), Art. VII of the State
 715 Constitution. For the purpose of distributing taxes collected
 716 pursuant to this subsection, the term "school operational
 717 purposes" includes charter schools ~~sponsored by a school~~
 718 ~~district~~. Millage elections conducted under the authority
 719 granted pursuant to this section are subject to s. 1011.73.
 720 Funds generated by such additional millage do not become a part
 721 of the calculation of the Florida Education Finance Program
 722 total potential funds in 2001-2002 or any subsequent year and
 723 must not be incorporated in the calculation of any hold-harmless
 724 or other component of the Florida Education Finance Program
 725 formula in any year. If an increase in required local effort,

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726 when added to existing millage levied under the 10-mill limit,
 727 would result in a combined millage in excess of the 10-mill
 728 limit, any millage levied pursuant to this subsection shall be
 729 considered to be required local effort to the extent that the
 730 district millage would otherwise exceed the 10-mill limit. Funds
 731 levied under this subsection shall be shared with charter
 732 schools based on each charter school's proportionate share of
 733 the district's total unweighted full-time equivalent student
 734 enrollment and used in a manner consistent with the purposes of
 735 the levy. The referendum must contain an explanation of the
 736 distribution methodology consistent with the requirements of
 737 this subsection.

738 Section 14. The amendments made by this act to s.
 739 1011.71(9), Florida Statutes, amending the distribution of taxes
 740 collected from certain voted discretionary operating millages
 741 levied by school districts, apply to such levies authorized by a
 742 vote of the electors on or after July 1, 2026.

743 Section 15. Paragraphs (g), (h), and (r) of subsection (1)
 744 of section 125.01, Florida Statutes, are amended to read:

745 125.01 Powers and duties.—

746 (1) The legislative and governing body of a county shall
 747 have the power to carry on county government. To the extent not
 748 inconsistent with general or special law, this power includes,
 749 but is not restricted to, the power to:

750 (g) Prepare and enforce comprehensive plans for the
 751 development of the county. Such plans must comply with s.
 752 377.817.

753 (h) Establish, coordinate, and enforce zoning and such
 754 business regulations as are necessary for the protection of the

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755 public. Such zoning and business regulations must comply with s.
756 377.817.

757 (r) Except as prohibited in s. 377.817, levy and collect
758 taxes, both for county purposes and for the providing of
759 municipal services within any municipal service taxing unit, and
760 special assessments; borrow and expend money; and issue bonds,
761 revenue certificates, and other obligations of indebtedness,
762 which power shall be exercised in such manner, and subject to
763 such limitations, as may be provided by general law. There shall
764 be no referendum required for the levy by a county of ad valorem
765 taxes, both for county purposes and for the providing of
766 municipal services within any municipal service taxing unit.

767 1. Notwithstanding any other provision of law, a county may
768 not levy special assessments on lands classified as agricultural
769 lands under s. 193.461 unless the revenue from such assessments
770 has been pledged for debt service and is necessary to meet
771 obligations of bonds or certificates issued by the county which
772 remain outstanding on July 1, 2023, including refundings thereof
773 for debt service savings where the maturity of the debt is not
774 extended. For bonds or certificates issued after July 1, 2023,
775 special assessments securing such bonds may not be levied on
776 lands classified as agricultural under s. 193.461.

777 2. ~~The provisions of Subparagraph 1. does de~~ not apply to
778 residential structures and their curtilage.

779 Section 16. Subsection (2) of section 166.021, Florida
780 Statutes, is amended to read:

781 166.021 Powers.—

782 (2) "Municipal purpose" means any activity or power which
783 may be exercised by the state or its political subdivisions. The

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784 term does not include the prohibitions listed in s. 377.817.

785 Section 17. Section 166.201, Florida Statutes, is amended
786 to read:

787 166.201 Taxes and charges.—Except as prohibited in s.
788 377.817, a municipality may raise, by taxation and licenses
789 authorized by the constitution or general law, or by user
790 charges or fees authorized by ordinance, amounts of money which
791 are necessary for the conduct of municipal government and may
792 enforce their receipt and collection in the manner prescribed by
793 ordinance not inconsistent with law.

794 Section 18. Section 212.205, Florida Statutes, is amended
795 to read:

796 212.205 Sales tax distribution reporting.—By March 15 of
797 each year, each person who received a distribution pursuant to
798 s. 212.20(6)(d) 7.b. and c. ~~s. 212.20(6)(d) 6.b. and c.~~ in the
799 preceding calendar year shall report to the Office of Economic
800 and Demographic Research the following information:

801 (1) An itemized accounting of all expenditures of the funds
802 distributed in the preceding calendar year, including amounts
803 spent on debt service.

804 (2) A statement indicating what portion of the distributed
805 funds have been pledged for debt service.

806 (3) The original principal amount and current debt service
807 schedule of any bonds or other borrowing for which the
808 distributed funds have been pledged for debt service.

809 Section 19. Paragraphs (a) and (d) of subsection (3) of
810 section 288.11621, Florida Statutes, are amended to read:

811 288.11621 Spring training baseball franchises.—

812 (3) USE OF FUNDS.—

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- 813 (a) A certified applicant may use funds provided under s.
 814 212.20(6)(d)7.b. s. 212.20(6)(d)6.b. only to:
- 815 1. Serve the public purpose of acquiring, constructing,
 816 reconstructing, or renovating a facility for a spring training
 817 franchise.
 - 818 2. Pay or pledge for the payment of debt service on, or to
 819 fund debt service reserve funds, arbitrage rebate obligations,
 820 or other amounts payable with respect thereto, bonds issued for
 821 the acquisition, construction, reconstruction, or renovation of
 822 such facility, or for the reimbursement of such costs or the
 823 refinancing of bonds issued for such purposes.
 - 824 3. Assist in the relocation of a spring training franchise
 825 from one unit of local government to another only if the
 826 governing board of the current host local government by a
 827 majority vote agrees to relocation.
- 828 (d)1. All certified applicants must place unexpended state
 829 funds received pursuant to s. 212.20(6)(d)7.b. s.
 830 212.20(6)(d)6.b. in a trust fund or separate account for use
 831 only as authorized in this section.
- 832 2. A certified applicant may request that the Department of
 833 Revenue suspend further distributions of state funds made
 834 available under s. 212.20(6)(d)7.b. s. 212.20(6)(d)6.b. for 12
 835 months after expiration of an existing agreement with a spring
 836 training franchise to provide the certified applicant with an
 837 opportunity to enter into a new agreement with a spring training
 838 franchise, at which time the distributions shall resume.
 - 839 3. The expenditure of state funds distributed to an
 840 applicant certified before July 1, 2010, must begin within 48
 841 months after the initial receipt of the state funds. In

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- 842 addition, the construction of, or capital improvements to, a
 843 spring training facility must be completed within 24 months
 844 after the project's commencement.
- 845 Section 20. Paragraph (c) of subsection (2) and paragraphs
 846 (a), (c), and (d) of subsection (3) of section 288.11631,
 847 Florida Statutes, are amended to read:
- 848 288.11631 Retention of Major League Baseball spring
 849 training baseball franchises.—
- 850 (2) CERTIFICATION PROCESS.—
- 851 (c) Each applicant certified on or after July 1, 2013,
 852 shall enter into an agreement with the department which:
- 853 1. Specifies the amount of the state incentive funding to
 854 be distributed. The amount of state incentive funding per
 855 certified applicant may not exceed \$20 million. However, if a
 856 certified applicant's facility is used by more than one spring
 857 training franchise, the maximum amount may not exceed \$50
 858 million, and the Department of Revenue shall make distributions
 859 to the applicant pursuant to s. 212.20(6)(d)7.c. s.
 860 212.20(6)(d)6.e.
 - 861 2. States the criteria that the certified applicant must
 862 meet in order to remain certified. These criteria must include a
 863 provision stating that the spring training franchise must
 864 reimburse the state for any funds received if the franchise does
 865 not comply with the terms of the contract. If bonds were issued
 866 to construct or renovate a facility for a spring training
 867 franchise, the required reimbursement must be equal to the total
 868 amount of state distributions expected to be paid from the date
 869 the franchise violates the agreement with the applicant through
 870 the final maturity of the bonds.

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871 3. States that the certified applicant is subject to
 872 decertification if the certified applicant fails to comply with
 873 this section or the agreement.

874 4. States that the department may recover state incentive
 875 funds if the certified applicant is decertified.

876 5. Specifies the information that the certified applicant
 877 must report to the department.

878 6. Includes any provision deemed prudent by the department.

879 (3) USE OF FUNDS.—

880 (a) A certified applicant may use funds provided under s.
 881 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ only to:

882 1. Serve the public purpose of constructing or renovating a
 883 facility for a spring training franchise.

884 2. Pay or pledge for the payment of debt service on, or to
 885 fund debt service reserve funds, arbitrage rebate obligations,
 886 or other amounts payable with respect thereto, bonds issued for
 887 the construction or renovation of such facility, or for the
 888 reimbursement of such costs or the refinancing of bonds issued
 889 for such purposes.

890 (c) The Department of Revenue may not distribute funds
 891 under s. 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ until July 1,
 892 2016. Further, the Department of Revenue may not distribute
 893 funds to an applicant certified on or after July 1, 2013, until
 894 it receives notice from the department that:

895 1. The certified applicant has encumbered funds under
 896 either subparagraph (a)1. or subparagraph (a)2.; and

897 2. If applicable, any existing agreement with a spring
 898 training franchise for the use of a facility has expired.

899 (d)1. All certified applicants shall place unexpended state

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900 funds received pursuant to s. 212.20(6)(d)7.c. ~~s.~~
 901 ~~212.20(6)(d)6.e.~~ in a trust fund or separate account for use
 902 only as authorized in this section.

903 2. A certified applicant may request that the department
 904 notify the Department of Revenue to suspend further
 905 distributions of state funds made available under s.
 906 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ for 12 months after
 907 expiration of an existing agreement with a spring training
 908 franchise to provide the certified applicant with an opportunity
 909 to enter into a new agreement with a spring training franchise,
 910 at which time the distributions shall resume.

911 3. The expenditure of state funds distributed to an
 912 applicant certified after July 1, 2013, must begin within 48
 913 months after the initial receipt of the state funds. In
 914 addition, the construction or renovation of a spring training
 915 facility must be completed within 24 months after the project's
 916 commencement.

917 Section 21. Subsection (1) of section 443.191, Florida
 918 Statutes, is amended to read:

919 443.191 Unemployment Compensation Trust Fund; establishment
 920 and control.—

921 (1) There is established, as a separate trust fund apart
 922 from all other public funds of this state, an Unemployment
 923 Compensation Trust Fund, which shall be administered by the
 924 Department of Commerce exclusively for the purposes of this
 925 chapter. The fund must consist of all of the following:

926 (a) All contributions and reimbursements collected under
 927 this chapter.~~†~~

928 (b) Interest earned on any moneys in the fund.~~†~~

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929 (c) Any property or securities acquired through the use of
 930 moneys belonging to the fund.~~+~~
 931 (d) All earnings of these properties or securities.~~+~~
 932 (e) All money credited to this state's account in the
 933 federal Unemployment Compensation Trust Fund under 42 U.S.C. s.
 934 1103.~~+~~
 935 (f) All money collected for penalties imposed pursuant to
 936 s. 443.151(6)(a).~~+~~
 937 (g) Advances on the amount in the federal Unemployment
 938 Compensation Trust Fund credited to the state under 42 U.S.C. s.
 939 1321, as requested by the Governor or the Governor's designee.~~+~~
 940 and
 941 (h) All money deposited in this account as a distribution
 942 pursuant to s. 212.20(6)(d)7.e. ~~s. 212.20(6)(d)6.e.~~
 943
 944 Except as otherwise provided in s. 443.1313(4), all moneys in
 945 the fund must be mingled and undivided.
 946 Section 22. Section 571.26, Florida Statutes, is amended to
 947 read:
 948 571.26 Florida Agricultural Promotional Campaign Trust
 949 Fund.—There is hereby created the Florida Agricultural
 950 Promotional Campaign Trust Fund within the Department of
 951 Agriculture and Consumer Services to receive all moneys related
 952 to the Florida Agricultural Promotional Campaign. Moneys
 953 deposited in the trust fund shall be appropriated for the sole
 954 purpose of implementing the Florida Agricultural Promotional
 955 Campaign, except for money deposited in the trust fund pursuant
 956 to s. 212.20(6)(d)7.e. ~~s. 212.20(6)(d)6.e.~~, which shall be held
 957 separately and used solely for the purposes identified in s.

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958 571.265.
 959 Section 23. Subsection (2) of section 571.265, Florida
 960 Statutes, is amended to read:
 961 571.265 Promotion of Florida thoroughbred breeding and of
 962 thoroughbred racing at Florida thoroughbred tracks; distribution
 963 of funds.—
 964 (2) Funds deposited into the Florida Agricultural
 965 Promotional Campaign Trust Fund pursuant to s. 212.20(6)(d)7.e.
 966 ~~s. 212.20(6)(d)6.e.~~ shall be used by the department to encourage
 967 the agricultural activity of breeding thoroughbred racehorses in
 968 this state and to enhance thoroughbred racing conducted at
 969 thoroughbred tracks in this state as provided in this section.
 970 If the funds made available under this section are not fully
 971 used in any one fiscal year, any unused amounts shall be carried
 972 forward in the trust fund into future fiscal years and made
 973 available for distribution as provided in this section.
 974 Section 24. For the purpose of incorporating the amendment
 975 made by this act to section 218.67, Florida Statutes, in a
 976 reference thereto, paragraph (c) of subsection (5) of section
 977 125.0104, Florida Statutes, is reenacted to read:
 978 125.0104 Tourist development tax; procedure for levying;
 979 authorized uses; referendum; enforcement.—
 980 (5) AUTHORIZED USES OF REVENUE.—
 981 (c) A county located adjacent to the Gulf of America or the
 982 Atlantic Ocean, except a county that receives revenue from taxes
 983 levied pursuant to s. 125.0108, which meets the following
 984 criteria may use up to 10 percent of the tax revenue received
 985 pursuant to this section to reimburse expenses incurred in
 986 providing public safety services, including emergency medical

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services as defined in s. 401.107(3), and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area. However, if taxes collected pursuant to this section are used to reimburse emergency medical services or public safety services for tourism or special events, the governing board of a county or municipality may not use such taxes to supplant the normal operating expenses of an emergency medical services department, a fire department, a sheriff's office, or a police department. To receive reimbursement, the county must:

1.a. Generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to this section;

b. Have at least three municipalities; and

c. Have an estimated population of less than 275,000, according to the most recent population estimate prepared pursuant to s. 186.901, excluding the inmate population; or

2. Be a fiscally constrained county as described in s. 218.67(1).

The board of county commissioners must by majority vote approve reimbursement made pursuant to this paragraph upon receipt of a recommendation from the tourist development council.

Section 25. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (3) of section 193.624, Florida Statutes, is reenacted to read:

193.624 Assessment of renewable energy source devices.—

(3) This section applies to the installation of a renewable

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energy source device installed on or after January 1, 2013, to new and existing residential real property. This section applies to a renewable energy source device installed on or after January 1, 2018, to all other real property, except when installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 26. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (2) of section 196.182, Florida Statutes, is reenacted to read:

196.182 Exemption of renewable energy source devices.—

(2) The exemption provided in this section does not apply to a renewable energy source device that is installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 27. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.12, Florida Statutes, is reenacted to read:

218.12 Appropriations to offset reductions in ad valorem tax revenue in fiscally constrained counties.—

(1) Beginning in fiscal year 2008-2009, the Legislature shall appropriate moneys to offset the reductions in ad valorem

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tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of Art. VII of the State Constitution approved in the special election held on January 29, 2008. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revision.

Section 28. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.125, Florida Statutes, is reenacted to read:

218.125 Offset for tax loss associated with certain constitutional amendments affecting fiscally constrained counties.—

(1) Beginning in the 2010-2011 fiscal year, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of ss. 3(f) and 4(b), Art. VII of the State Constitution which were approved in the general election held in November 2008. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revisions.

Section 29. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a

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reference thereto, subsection (1) of section 218.135, Florida Statutes, is reenacted to read:

218.135 Offset for tax loss associated with reductions in value of certain citrus fruit packing and processing equipment.—

(1) For the 2018-2019 fiscal year, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of s. 193.4516. The moneys appropriated for this purpose shall be distributed in January 2019 among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of s. 193.4516.

Section 30. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.136, Florida Statutes, is reenacted to read:

218.136 Offset for ad valorem revenue loss affecting fiscally constrained counties.—

(1) Beginning in fiscal year 2025-2026, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of s. 6(a), Art. VII of the State Constitution approved in the November 2024 general election. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the

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1103 implementation of the revision of s. 6(a), Art. VII of the State
1104 Constitution.

1105 Section 31. For the purpose of incorporating the amendment
1106 made by this act to section 218.67, Florida Statutes, in a
1107 reference thereto, paragraph (cc) of subsection (2) of section
1108 252.35, Florida Statutes, is reenacted to read:

1109 252.35 Emergency management powers; Division of Emergency
1110 Management.—

1111 (2) The division is responsible for carrying out the
1112 provisions of ss. 252.31-252.90. In performing its duties, the
1113 division shall:

1114 (cc) Administer a revolving loan program for local
1115 government hazard mitigation projects.

1116 Section 32. For the purpose of incorporating the amendment
1117 made by this act to section 218.67, Florida Statutes, in a
1118 reference thereto, paragraph (b) of subsection (2) of section
1119 288.0655, Florida Statutes, is reenacted to read:

1120 288.0655 Rural Infrastructure Fund.—

1121 (2)
1122 (b) To facilitate access of rural communities and rural
1123 areas of opportunity as defined by the Rural Economic
1124 Development Initiative to infrastructure funding programs of the
1125 Federal Government, such as those offered by the United States
1126 Department of Agriculture and the United States Department of
1127 Commerce, and state programs, including those offered by Rural
1128 Economic Development Initiative agencies, and to facilitate
1129 local government or private infrastructure funding efforts, the
1130 department may award grants for up to 75 percent of the total
1131 infrastructure project cost, or up to 100 percent of the total

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1132 infrastructure project cost for a project located in a rural
1133 community as defined in s. 288.0656(2) which is also located in
1134 a fiscally constrained county as defined in s. 218.67(1) or a
1135 rural area of opportunity as defined in s. 288.0656(2). Eligible
1136 uses of funds may include improving any inadequate
1137 infrastructure that has resulted in regulatory action that
1138 prohibits economic or community growth and reducing the costs to
1139 community users of proposed infrastructure improvements that
1140 exceed such costs in comparable communities. Eligible uses of
1141 funds include improvements to public infrastructure for
1142 industrial or commercial sites and upgrades to or development of
1143 public tourism infrastructure. Authorized infrastructure may
1144 include the following public or public-private partnership
1145 facilities: storm water systems; telecommunications facilities;
1146 roads or other remedies to transportation impediments; nature-
1147 based tourism facilities; or other physical requirements
1148 necessary to facilitate tourism, trade, and economic development
1149 activities in the community. Authorized infrastructure may also
1150 include publicly or privately owned self-powered nature-based
1151 tourism facilities, publicly owned telecommunications
1152 facilities, and additions to the distribution facilities of the
1153 existing natural gas utility as defined in s. 366.04(3)(c), the
1154 existing electric utility as defined in s. 366.02, or the
1155 existing water or wastewater utility as defined in s.
1156 367.021(12), or any other existing water or wastewater facility,
1157 which owns a gas or electric distribution system or a water or
1158 wastewater system in this state when:

1159 1. A contribution-in-aid of construction is required to
1160 serve public or public-private partnership facilities under the

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1161 tariffs of any natural gas, electric, water, or wastewater
1162 utility as defined herein; and

1163 2. Such utilities as defined herein are willing and able to
1164 provide such service.

1165 Section 33. For the purpose of incorporating the amendment
1166 made by this act to section 218.67, Florida Statutes, in a
1167 reference thereto, subsection (4) of section 288.102, Florida
1168 Statutes, is reenacted to read:

1169 288.102 Supply Chain Innovation Grant Program.—

1170 (4) A minimum of a one-to-one match of nonstate resources,
1171 including local, federal, or private funds, to the state
1172 contribution is required. An award may not be made for a project
1173 that is receiving or using state funding from another state
1174 source or statutory program, including tax credits. The one-to-
1175 one match requirement is waived for a public entity located in a
1176 fiscally constrained county as defined in s. 218.67(1).

1177 Section 34. For the purpose of incorporating the amendment
1178 made by this act to section 218.67, Florida Statutes, in a
1179 reference thereto, paragraph (c) of subsection (4) of section
1180 339.2816, Florida Statutes, is reenacted to read:

1181 339.2816 Small County Road Assistance Program.—

1182 (4)

1183 (c) The following criteria must be used to prioritize road
1184 projects for funding under the program:

1185 1. The primary criterion is the physical condition of the
1186 road as measured by the department.

1187 2. As secondary criteria the department may consider:

1188 a. Whether a road is used as an evacuation route.

1189 b. Whether a road has high levels of agricultural travel.

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1190 c. Whether a road is considered a major arterial route.

1191 d. Whether a road is considered a feeder road.

1192 e. Whether a road is located in a fiscally constrained
1193 county, as defined in s. 218.67(1).

1194 f. Other criteria related to the impact of a project on the
1195 public road system or on the state or local economy as
1196 determined by the department.

1197 Section 35. For the purpose of incorporating the amendment
1198 made by this act to section 218.67, Florida Statutes, in a
1199 reference thereto, paragraph (h) of subsection (16) of section
1200 403.064, Florida Statutes, is reenacted to read:

1201 403.064 Reuse of reclaimed water.—

1202 (16) By November 1, 2021, domestic wastewater utilities
1203 that dispose of effluent, reclaimed water, or reuse water by
1204 surface water discharge shall submit to the department for
1205 review and approval a plan for eliminating nonbeneficial surface
1206 water discharge by January 1, 2032, subject to the requirements
1207 of this section. The plan must include the average gallons per
1208 day of effluent, reclaimed water, or reuse water that will no
1209 longer be discharged into surface waters and the date of such
1210 elimination, the average gallons per day of surface water
1211 discharge which will continue in accordance with the
1212 alternatives provided for in subparagraphs (a)2. and 3., and the
1213 level of treatment that the effluent, reclaimed water, or reuse
1214 water will receive before being discharged into a surface water
1215 by each alternative.

1216 (h) This subsection does not apply to any of the following:

1217 1. A domestic wastewater treatment facility that is located
1218 in a fiscally constrained county as described in s. 218.67(1).

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2. A domestic wastewater treatment facility that is located in a municipality that is entirely within a rural area of opportunity as designated pursuant to s. 288.0656.

3. A domestic wastewater treatment facility that is located in a municipality that has less than \$10 million in total revenue, as determined by the municipality's most recent annual financial report submitted to the Department of Financial Services in accordance with s. 218.32.

4. A domestic wastewater treatment facility that is operated by an operator of a mobile home park as defined in s. 723.003 and has a permitted capacity of less than 300,000 gallons per day.

Section 36. For the purpose of incorporating the amendments made by this act to section 218.67, Florida Statutes, in references thereto, paragraph (c) of subsection (6) of section 403.0741, Florida Statutes, is reenacted to read:

403.0741 Grease waste removal and disposal.—

(6) REGULATION BY LOCAL GOVERNMENTS.—

(c) Fiscally constrained counties as described in s. 218.67(1) and small counties as defined in s. 339.2818(2) may opt out of the requirements of this section.

Section 37. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in references thereto, subsections (2) and (3) of section 589.08, Florida Statutes, are reenacted to read:

589.08 Land acquisition restrictions.—

(2) The Florida Forest Service may receive, hold the custody of, and exercise the control of any lands, and set aside into a separate, distinct and inviolable fund, any proceeds

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

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derived from the sales of the products of such lands, the use thereof in any manner, or the sale of such lands save the 25 percent of the proceeds to be paid into the State School Fund as provided by law. The Florida Forest Service may use and apply such funds for the acquisition, use, custody, management, development, or improvement of any lands vested in or subject to the control of the Florida Forest Service. After full payment has been made for the purchase of a state forest to the Federal Government or other grantor, 15 percent of the gross receipts from a state forest shall be paid to the fiscally constrained county or counties, as described in s. 218.67(1), in which it is located in proportion to the acreage located in each county for use by the county or counties for school purposes.

(3) The Florida Forest Service shall pay 15 percent of the gross receipts from the Goethe State Forest to each fiscally constrained county, as described in s. 218.67(1), in which a portion of the respective forest is located in proportion to the forest acreage located in such county. The funds must be equally divided between the board of county commissioners and the school board of each fiscally constrained county.

Section 38. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (f) of subsection (1) of section 1011.62, Florida Statutes, is reenacted to read:

1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as

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1277 follows:

1278 (1) COMPUTATION OF THE BASE FLORIDA EDUCATION FINANCE
1279 PROGRAM.—The following procedure shall be followed in
1280 determining the base Florida Education Finance Program funds for
1281 each district:

1282 (f) *Small district factor.*—An additional value per full-
1283 time equivalent student membership is provided to each school
1284 district with a full-time equivalent student membership of fewer
1285 than 20,000 full-time equivalent students which is in a fiscally
1286 constrained county as described in s. 218.67(1). The amount of
1287 the additional value shall be specified in the General
1288 Appropriations Act.

1289 Section 39. Hunting, fishing, and camping sales tax
1290 holiday.—

1291 (1) The tax levied under chapter 212, Florida Statutes, may
1292 not be collected during the period from September 7, 2026,
1293 through December 31, 2026, on the retail sale of:

1294 (a) Ammunition, as defined in s. 790.001(1), Florida
1295 Statutes.

1296 (b) A firearm. For purposes of this section, the term
1297 “firearm” means a weapon capable of firing a missile and
1298 includes a pistol, rifle, or shotgun using an explosive charge
1299 as a propellant.

1300 (c) The following accessories used for firearms:

1301 1. Charging handles.

1302 2. Cleaning kits.

1303 3. Holsters.

1304 4. Pistol grips.

1305 5. Sights or optics.

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1306 6. Stocks.

1307 (d) A bow. For purposes of this section, the term “bow”
1308 means a device consisting of flexible material having a string
1309 connecting its two ends, either indirectly by cables or pulleys
1310 or directly, for the purpose of discharging arrows; which
1311 propels arrows only by the energy stored by the drawing of the
1312 device; and which is handheld, hand-drawn, and hand-released.

1313 (e) A crossbow. For purposes of this section, the term
1314 “crossbow” means a device consisting of flexible material having
1315 a string connecting its two ends, either indirectly by cables or
1316 pulleys or directly, affixed to a stock for the purpose of
1317 discharging quarrels, bolts, or arrows; which propels quarrels,
1318 bolts, or arrows only by the energy stored by the drawing of the
1319 device; and which uses a non-handheld locking mechanism to
1320 maintain the device in a drawn or ready-to-discharge condition.

1321 (f) The following accessories used for bows or crossbows:

1322 1. Arrows.

1323 2. Bolts.

1324 3. Quarrels.

1325 4. Quivers.

1326 5. Releases.

1327 6. Sights or optics.

1328 7. Wristguards.

1329 (g) Camping supplies. For purposes of this section, the
1330 term “camping supplies” means tents with a sales price of \$200
1331 or less; sleeping bags, portable hammocks, camping stoves, and
1332 collapsible camping chairs with a sales price of \$50 or less;
1333 and camping lanterns and flashlights with a sales price of \$30
1334 or less.

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(h) Fishing supplies. For purposes of this section, the term "fishing supplies" means rods and reels with a sales price of \$75 or less if sold individually, or \$150 or less if sold as a set; tackle boxes or bags with a sales price of \$30 or less; and bait or fishing tackle with a sales price of \$10 or less if sold individually, or \$20 or less if multiple items are sold together. The term does not include supplies used for commercial fishing purposes.

(2) The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of implementing this section.

Section 40. The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of implementing provisions related to the tax exemption for liquified petroleum gas tanks. Notwithstanding any other law, emergency rules adopted under this section are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

Section 41. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon becoming a law, this act shall take effect July 1, 2026.

3-2-26

Meeting Date

The Florida Senate

APPEARANCE RECORD

SB 7046

Bill Number or Topic

Senate Appropriations

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

Committee

Amendment Barcode (if applicable)

Name

Daniel Martinez

Phone

305-240-2917

Address

107 E College Ave

Email

DMartinez@AFP+HQ.org

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:

Americans for
Prosperity

☐

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

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

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

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3-2-26

Meeting Date

7046

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Chris Doolin

Phone

850-508-5492

Address

1018 Thomasville Rd.

Email

cdoolin@doolinandassoc.com

Street

Tallah

Fl.

32303

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:

SMALL COUNTY COALITION

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

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S-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

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3/2/26

Meeting Date

APPROPRIATION

Committee

SB 7046

Bill Number or Topic

782234

Amendment Barcode (if applicable)

Name

JEFF SHARKEY

Phone

850 224 1660

Address

100 E College Ave #1110

Street

TLH

FL

32301

City

State

Zip

Email

jeff@sharkdigital.com

Speaking:

☒ For

☐ Against

☐ Information

OR

Waive Speaking:

☒ In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

TESLA

☐

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 of the Senate](#) ([pdf](#) [flsenate.gov](#))

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

S-001 (08/10/2021)

March 2, 2026

Meeting Date

Appropriations

Committee

Name **Mat Forrest**

Name

Address **201 E. Park Ave.**

Address

Street

Tallahassee

City

FL

State

32301

Zip

The Florida Senate

APPEARANCE RECORD

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

7046 Taxation

Bill Number or Topic

AA 514398AA

Amendment Barcode (if applicable)

Phone **850-577-0444**

Phone

Email **mat@ballardpartners.com**

Email

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☐ In Support ☒ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

**American Hotel Lodging Assoc. &
Destinations Florida**

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

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

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

S-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

Meeting Date

3/2/26

Bill Number or Topic

7046

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

Committee

Amendment Barcode (if applicable)

Appropriations

514398

Name

Chris Carmody

Phone

Address

301 E. Pino St., Suite 1400

Email

Street

Orlando

FL

32801

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☐ In Support ☒ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

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

Central Florida Hotel + Lodging Association

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

S-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

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

3/2/2024
Meeting Date
Appropriations
Committee

7046
Bill Number or Topic
514398
Amendment Barcode (if applicable)

Name Samantha Padgett Phone (904) 224-2280 ext. 228
Address 530 S. Adams Street Email Spadgett@FLA.org
Tallahassee FL 32301
City State Zip

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

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Florida Restaurant
& Lodging Association

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 7048

INTRODUCER: Appropriations Committee and Finance and Tax Committee

SUBJECT: Internal Revenue Code

DATE: March 3, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
	Gross	Khan		FT Submitted as Comm. Bill/Fav
1.	Gross	Sadberry	AP	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 7048 updates Florida's corporate income tax code by adopting the federal Internal Revenue Code in effect on January 1, 2026, except for several specified sections.

House Concurrent Resolution 1, H.R.1, popularly known as the One Big Beautiful bill Act (OBBBA), amended the Internal Revenue Code and became law on July 4, 2026. A number of these changes will affect Florida's corporate income tax collections:

- Acceleration of depreciation of certain assets. (Bonus depreciation).
- Allowing immediate expensing for certain research and experimental expenditures.
- Increasing the deduction for business interest expenses.
- Increasing the amount of business meals eligible for deduction for certain employers.

The bill retains the current law treatment for the following issues by retaining an adoption of the Internal Revenue Code as of January 1, 2025:

- Provisions relating to bonus depreciation of assets.
- Provisions relating to amortization of certain research and experimental expenditures.
- Provisions relating to the deduction for interest paid by businesses.
- Provisions relating to deductions for certain business meals.

The bill does not adopt the following new sections created by federal law:

- Provisions related to a deduction for qualified production property, and
- Provisions related to a new deduction relating to domestic research and experimental expenditures.

The Revenue Estimating Conference (REC) determined that the bill would not affect revenue.

The bill takes effect upon becoming a law and operates retroactively to January 1, 2027.

II. Present Situation:

Annual Adoption of the Internal Revenue Code

Florida imposes a 5.5 percent tax on the taxable income of corporations and financial institutions doing business in Florida.¹ The relationship between Florida and the Internal Revenue Code (IRC) is maintained each year by adopting the IRC as it exists on January 1. When expressly authorized by law, any amendment to the IRC shall be given effect under this code in such manner and for such periods as are prescribed in the IRC, to the same extent as if such amendment had been adopted by the Legislature.²

Addbacks, Subtractions, and Florida Taxable Income

Because Florida relies on federal taxable income to determine Florida taxable income, changes to the calculation of federal taxable income affects the calculation of Florida taxable income and may increase or decrease Florida tax receipts upon adoption of an updated Internal Revenue Code. In some instances, Florida has adopted an updated federal IRC but excluded specific changes.

To calculate Florida corporate income tax due, the federal taxable income is adjusted by applying specific addbacks and subtractions, apportioning and allocating certain income, and reducing the result by Florida's standard exemption (\$50,000). The addbacks and subtractions reflect federal provisions or treatments that the state has elected not to accept. Some items that are added back to the federal taxable income, pursuant to s. 220.13(1)(a), F.S., include federal deductions taken for interest,³ tax credits taken for research and development,⁴ and deductions taken for certain depreciation.⁵ Section 220.13(1)(b), F.S., provides for specific items to be subtracted from taxable income, including net operating losses,⁶ foreign source dividends,⁷ and foreign income.⁸

The One Big Beautiful Bill Act

House Concurrent Resolution 1, H.R.1, popularly known as the One Big Beautiful bill Act (OBBBA), "reduces taxes, reduces or increases spending for various federal programs, increases the statutory debt limit, and otherwise addresses agencies and programs throughout the federal

¹ Sections 220.11(2) and 220.63(2), F.S.

² Section 220.03(3), F.S.

³ Section 220.13(1)(a)(2), F.S.

⁴ Section 220.13(1)(a)(12), F.S.

⁵ Section 220.13 (1)(e), F.S.

⁶ Section 220.13(1)(b)(1), F.S.

⁷ Section 220.13(1)(b)(2)(a), F.S.

⁸ Section 220.13(1)(b)(2)(b), F.S.

government.”⁹ Since Florida does not levy a tax on the income of individuals, the effect of the OBBBA is limited corporations and entities subject to Florida’s corporate income tax.

The changes most significantly affecting the state’s revenues include the:

- Acceleration of depreciation of certain assets. (Bonus depreciation).
- Increasing first-year expensing for certain research and experimental expenditures.
- Increasing the deduction for business interest expenses.
- Increasing the amount of business meals eligible for deduction for certain employers.

Currently, the taxation of corporate income in Florida is consistent with the Internal Revenue Code as it existed on January 1, 2025, as modified by the state, which is before the OBBBA became law.¹⁰

Bonus Depreciation¹¹

Federal Law Change

Federal law allows as a depreciation deduction a reasonable allowance for the exhaustion, and wear and tear of property used in the trade or business or of property held for the production of income. For qualified property, federal law allows for the deduction to be accelerated.

Before the OBBBA became law, qualified property¹² was eligible for bonus depreciation if placed in service before 2027.

The OBBBA provides a 100% deduction for qualified property acquired after Jan. 19, 2025, and makes the accelerated deduction permanent, which differs from previously adopted bonus depreciation that lasted for an established period of time.

“Qualified property” under the OBBBA means, in part, property used in trade or business or held for the production of income which has a recovery period of 20 years or less; is computer software; water utility property; qualified film, television, or live theatrical production, or qualified sound recording production, in which the original use of the property begins with the taxpayer or if used property, it meets certain requirements.¹³

Effective date: This change applies to property acquired after January 19, 2025.

⁹ H.R.1 - 119th Congress (2025-2026): An act to provide for reconciliation pursuant to title II of H. Con. Res. 14, H.R.1, 119th Cong. (2025), <https://www.congress.gov/bill/119th-congress/house-bill/1> (last visited Feb. 11, 2026).

¹⁰ Florida Department of Revenue, *Florida Corporate Income Tax Adoption of 2025 Internal Revenue Code*. Tax Information Publication Number 25C01-01, (Dec. 1, 2025), https://floridarevenue.com/taxes/tips/Documents/TIP_25C01-01.pdf (last visited Feb. 11, 2026).

¹¹ 26 U.S.C s. 168(k).

¹² 26 U.S.C s. 168(k) (2024).

¹³ 26 U.S.C s. 168(k)(2).

Depreciation for Qualified Production Property¹⁴**Federal Law Change**

The OBBBA establishes a temporary 100% bonus depreciation allowance for qualified production property constructed after Jan. 19, 2025, and before Jan 1, 2029, and placed in service before Jan 1, 2031.

“Qualified production property” under the OBBBA means non-residential real property that is used by the taxpayer as an integral part of a qualified production activity. Such activity is the manufacturing, production, or refining of qualified products. “Production” is limited to agricultural and chemical production.¹⁵

A qualified product is any tangible personal property if such property is not a food or beverage prepared in the same building as a retail establishment in which such property is sold.

Qualified production property may not include that portion of any non-residential real property which is used for offices, administrative services, lodging, parking, sales activities, research activities, software development or engineering activities, or other functions unrelated to the manufacturing, production, or refining of tangible personal property.

Non-residential real property is not residential rental property or property with a class life of less than 27.5 years. Additionally, this type of property has a cost-recovery period of 39 years.

Effective date: This change is available for property constructed after January 19, 2025, and before January 1, 2029, and must be placed in service before January 1, 2031.

Section 179 Expensing¹⁶**Federal Law Change**

A taxpayer may elect to treat the cost of any section 179 property as an expense which is not chargeable to capital account. Any cost so treated is allowed as a deduction for the taxable year in which the section 179 property is placed in service.¹⁷

Section 179 property is depreciable tangible property, certain computer software, or qualified real property used in the active conduct of a trade or business.¹⁸ Generally, this type of property is similar to property eligible for bonus depreciation and includes qualified improvement property.

The OBBBA increased the maximum amount that may be deducted for certain assets from \$1.25 million to \$2.5 million, increased by inflation annually. The amount by which the benefit begins to phase out is increased from \$3.13 million to \$4 million, increased by inflation annually. The costs greater than the minimum phase-out (\$4 million before inflation adjustment) directly

¹⁴ 26 U.S.C s. 168(n).

¹⁵ 26 U.S.C s. 168(n)(2).

¹⁶ 26 U.S.C s. 179.

¹⁷ 26 U.S.C s. 179(a).

¹⁸ 26 U.S.C s. 179(d).

reduce the maximum deduction dollar-for-dollar.¹⁹ Generally, this provision allows a taxpayer to expense (deduct) the cost of an asset rather than charge it to a capital account and amortize the cost over a given period of time.

Effective date: This change applies to property placed in service in taxable years beginning after December 31, 2024.

Research and Experimental Expenses²⁰

Federal Law Change

Generally, federal law allows as a deduction any domestic research or experimental (R&E) expenditures which are paid or incurred by the taxpayer during the taxable year.²¹

For domestic R&E expenditures, the OBBBA provides for the immediate deduction for such expenditures paid or incurred in taxable years beginning after Dec. 31, 2024. The TCJA removed the immediate deduction for expenditures paid or incurred in taxable years beginning after Dec. 31, 2021. Alternatively, a taxpayer may continue to elect to capitalize and amortize over at least 60 months.²²

A taxpayer with limited gross receipts may deduct domestic R&E expenses retroactively to tax years beginning after Dec. 31, 2021.²³

A taxpayer may also accelerate amortization attributable to domestic R&E expenses paid or incurred after Dec. 31, 2021, but before Jan 1, 2025.²⁴

Effective date: Except for retroactivity, these amendments apply to amounts paid or incurred in taxable years beginning after December 31, 2024.

Business Interest Deduction²⁵

Federal Law Change

Generally, federal law allows as a deduction all interest paid or accrued within the taxable year on indebtedness, with prescribed limitations.²⁶

The OBBBA:

- Changes the definition of adjusted taxable income to be 30% of EBITDA (earnings before interest, taxes, depreciation, and amortization) rather than 30% of EBIT (earnings before interest and taxes) for purposes of determining how much business interest may be expensed in a given taxable year. EBITDA is greater than EBIT.

¹⁹ 26 U.S.C s. 179(b).

²⁰ 26 U.S.C s. 174A.

²¹ 26 U.S.C s. 174A(a).

²² 26 U.S.C s. 174A(c)(1).

²³ Pub. L. 119–21, s. 70302(f).

²⁴ Pub. L. 119–21, s. 70302(f).

²⁵ IRC section 163.

²⁶ IRC section 163(j).

- Expands the exclusion of interest on floor plan financing from the limit on the tax deduction for business interest expense to include interest on floor plan financing for campers and trailers. Floor plan financing means interest paid or accrued on floor plan financing indebtedness. Floor plan financing indebtedness means indebtedness used to finance the acquisition of motor vehicles for sale or lease and secured by the inventory acquired.²⁷
- Changes Floor plan financing to cover trailers or campers that provide temporary living quarters for recreation, camping, or seasonal use. These types of vehicles are designed to be towed or affixed to a motor vehicle.

In addition to those changes above, the bill also provides that the limitation is calculated before capitalizable interest is calculated. Foreign income, including the new net controlled foreign corporation tested income (previously GILTI) calculation for foreign taxable income is excluded.

Effective date: This change applies to taxable years beginning after December 31, 2024.

Business Meals

Federal Law Change

Generally, deductions for food or beverage expenses may not exceed 50 percent of the amount of the expense and the food or beverage expense may not be lavish or extravagant.²⁸

The OBBBA adds two exceptions from limits on the amount allowed to be deducted for food or beverage expenses:

- The expense is for food or beverage for employees of certain fishing processing facilities in Alaska that are not located in a metropolitan area. This is a new exception and allows for a full deduction.
- Employer provided meals:
 - Costs associated with providing food or beverages to employees through an eating facility operated by the employer for employees that meets de minimis requirements for fringe benefits (snacks, coffee, etc.).
 - Meals provided by the employer for the convenience of the employer on the employer's premises to employees and their spouses and dependents.

The TCJA would have made employer provided meal expenditures non-deductible beginning after December 31, 2025. Instead, a taxpayer may be eligible for a deduction of those costs if the taxpayer charges an adequate or full consideration or meets other exceptions.²⁹

Effective date: This change applies to amounts paid or incurred after December 31, 2025.

Other States Respond to Passage of OBBBA

A number of states have responded to the passage of the OBBBA by choosing not to conform to provisions in the Act. "States have selectively decoupled from numerous HR 1 provisions, most

²⁷ IRC section 163(j)(9).

²⁸ Section 1.274-12, Code of Federal Regulations.

²⁹ 26 U.S.C. s. 274(n)(2)(C).

often focusing on corporate tax deductions, which often have a large-scale revenue impact. These changes typically either revert to the pre-HR 1 landscape or find a balance somewhere in the middle of previous and new deductions.”³⁰ States such as Alabama, California, Delaware, Maine, and Pennsylvania and the District of Columbia decoupled from one or more provisions in the Act, including research and experimental expensing, bonus depreciation for qualified property and qualified production property, and changes made to the business interest deduction.³¹

Florida Laws Recognizing Changes to the Internal Revenue Code

The Tax Cuts and Jobs Act of 2017

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (TCJA) was signed into law. The TCJA made significant changes to federal income tax provisions related to individuals, corporations, and the treatment of foreign income.

Business Tax Reforms

The TCJA’s changes to corporate taxes generally:

- Reduced the federal income tax rate on corporate income.
- Significantly increased the first-year deductions related to equipment purchases (bonus depreciation).
- Beginning January 1, 2022, required deductions for research and experimental expenses to be deducted over five years for domestic research expenses or fifteen years for foreign research expenses.
- Repealed or curtailed certain tax credits and deductions.

Under the TCJA, and through 2023, taxpayers were allowed to deduct in the first-year 100 percent of qualifying purchases. This percentage was then phased down to 80 percent, 60 percent, 40 percent, and 20 percent, over the next four years, respectively. No bonus depreciation would have been granted after 2027.

International Tax Reforms

The U.S. has historically deferred taxation of foreign-source income until the income was repatriated to the U.S. The TCJA aimed to largely eliminate this deferral for corporations.

The TCJA’s foreign income changes generally:

- Required taxation of foreign-source income.
- Provided deductions for certain dividends from foreign corporations.
- Provided temporary, partial credits for certain foreign income to reduce the near-term taxation of that income.

³⁰ National Conference of State Legislatures, *Breaking Up Is Hard to Do: States Struggle to Conform to Tax Code Changes*, Jan. 19, 2026, https://www.ncsl.org/fiscal/2025-tax-conformity-changes?utm_source=act-on+software&utm_term=states (last visited Feb. 20, 2026).

³¹ *Id.*

Recognizing that changes made to the IRC by the TCJA would significantly affect Florida's corporate income tax, Florida enacted a law composed of the following:³²

- **Adoption of the IRC** in effect on January 1, 2018.
- **Creation of an automatic refund and rate adjustment mechanism.** The tax rate was adjusted downward for taxable years beginning on or after January 1, 2019, based on the amount of collections exceeding 107 percent of the FY 2018-2019 collections. The rate adjustment was created to last only 1 taxable year. Additionally, the amount of collections exceeding the forecasted collections for FY 2018-20219 were refunded to taxpayers.
- **Decouple from bonus depreciation.** A taxpayer was required to 'add-back' the amount of bonus depreciation deducted on its federal income tax return and instead use a 7-year straight-line depreciation schedule in Florida. This methodology applies to property placed in service after December 31, 2017, and before January 1, 2027, covering the time horizon of the federal bonus depreciation schedule.
- **Require the Department of Revenue to examine how the TCJA affected the state's corporate income tax** as a result of the state's adoption of the Internal Revenue Code. A report from the Department to the Governor, President of the Senate, Speaker of the House, and chairs of appropriate legislative committees was due February 1, 2019. Additionally, status reports to the chairs of committees were due August 3, 2018, and November 16, 2018.

The 2019 Legislature amended Florida's corporate income tax laws to address the ongoing effects from the TCJA.³³ Florida enacted a law composed of the following:

- **Adoption the IRC** in effect on January 1, 2019.
- **Extension of the rate adjustment mechanism** to apply for taxable years beginning January 1, 2020, and January 1, 2021.
- **Extension of the number of years in which refunds may be issued** to include excess amounts collected in FY 2019-2020 and 2020-2021.
- **Decouple from GILTI:** Global Intangible Low-Taxed Income. In general, this was a mechanism to account for and subject to tax certain profits of US controlled foreign corporations.³⁴
- **Require taxpayers submit to the Department of Revenue an informational return.** The return asked for information related to business specifics about credits, deductions, and base adjustment caused by the federal tax changes.

As a result of the aforementioned Florida law changes, the tax rate was reduced from 5.5 percent to 4.458 percent for taxable years beginning January 1, 2019, and down to 3.535 percent for taxable years beginning January 1, 2021.³⁵ The rate returned to 5.5 percent for taxable years beginning January 1, 2022. Reducing the corporate income tax rate lowered collections by an estimated \$2,651.8 million between Fiscal Years 2019-20 through 2024-2025.

³² Chapter 2018-119, Laws of Fla.

³³ Ch. 2019-168, Laws of Fla.

³⁴ A discussion on GILTI may be found in the bill analysis for CS/CS/SB 576 by the Senate Committee on Finance and Tax (Apr. 22, 2019), available at <https://flsenate.gov/Session/Bill/2019/576/Analyses/2019s00576.ap.PDF> (last visited Feb. 11, 2026).

³⁵ Florida Department of Revenue, Tax Information Publication, *Florida Corporate Income Tax 2021 Tax Rate Reduction*, Sept. 15, 2021, available at https://floridarevenue.com/taxes/tips/Documents/TIP_21C01-02.pdf (last visited Feb. 11, 2026).

Refunds issued by the Department of Revenue equaled \$531.0 million in Fiscal Year 2019-2020 and \$642.1 million for Fiscal Year 2021-2022.³⁶

CARES Act and the Consolidated Appropriations Act of 2021

On March 27, 2020, the CARES Act was signed into law. It provided emergency assistance and health care response for individuals, families, and businesses affected by the 2020 coronavirus pandemic³⁷ making a number of changes to the IRC, including temporarily relaxing some restrictions on tax deductions which were imposed by the TCJA.³⁸

The Act:

- Temporarily increased the allowable deduction for business interest expenses, from 30 percent to 50 percent of a corporation's adjusted taxable income, for 2019 and 2020.³⁹
- Retroactively amended IRC provisions first enacted in the TCJA⁴⁰ that required certain qualified improvement property costs to be depreciated over 39 years instead of 15 years.⁴¹
- Temporarily increased net operating loss (NOL) provisions, allowing net operating losses created in 2018 through 2020 to offset 100 percent of income if used in taxable years beginning before January 1, 2021, (instead of 80 percent), and allowing those NOLs to be carried back five years from the year of creation.⁴²
- Temporarily increased the allowable charitable deduction from 10 percent to 25 percent of a corporate taxpayer's taxable income for 2020.

On December 27, 2020, the Consolidated Appropriations Act of 2021 (CAA) was signed into law.⁴³ The annual appropriations act set forth the budget for the federal government but also included additional tax relief provisions for individuals and businesses. Some of the changes in the CAA included a temporary increase in the deduction for business meal expenses, an extension of expensing provisions for certain film, television, and live performances, as well as an extension through 2021 for the increased charitable deduction found in the CARES Act.

Recognizing that changes made to the IRC by these Acts would affect Florida's corporate income tax, Florida enacted a law composed of the following:⁴⁴

- **Adoption of the IRC** in effect on January 1, 2021.
- **Decouple from** the increased amount that may be deducted as business interest expense.
- **Decouple from** the increased amount that may be deducted for business meals.
- **Decouple from** a provision that altered the depreciable life of certain qualified improvement property.

³⁶ Office of Economic and Demographic Research, *General Revenue Consensus Estimating Conference Comparison Report*, Table 16, Jan. 23, 2026, available at <https://edr.state.fl.us/Content/conferences/generalrevenue/grpackage.pdf> (last visited Feb. 11, 2026).

³⁷ Pub. L. No. 116-136 (2020).

³⁸ Pub. L. No. 115-97 (2017).

³⁹ Section 2306, Pub. Law No. 116-136 (2021). This provision also allows the 2020 50 percent limitation to be calculated based on 2019 income, which may allow for a larger deduction than would otherwise have been available.

⁴⁰ Section 13204, Pub. L. No. 115-97.

⁴¹ Section 2307, Pub. L. No. 116-136.

⁴² Section 2303, Pub. L. No. 116-136.

⁴³ Pub. L. No. 116-260 (2020).

⁴⁴ Chapter 2021-242, Laws of Fla.

- **Decouple from** expensing provision extensions for film, television, and live theatrical productions.

III. **Effect of Proposed Changes:**

The bill updates Florida's corporate income tax code by adopting the Internal Revenue Code as amended and in effect on January 1, 2026, except for several specified sections.

The amendment retains the current law treatment of the following issues by retaining an adoption of the Internal Revenue Code as of January 1, 2025, for the following sections:

- Section 168(k), relating to bonus depreciation of assets.
- Section 174(a), relating to amortization of certain research and experimental expenditures.
- Section 163(j), relating to the deduction for interest paid by businesses.
- Section 274, relating to deductions for certain business meals.
- Section 179, relating to deductions made by certain small businesses.

The amendment does not adopt the following new sections created by federal law:

- Section 168(n), related to a deduction for qualified production property.
- Section 174A, a new deduction relating to domestic research and experimental expenditures.

The bill authorizes the Department of Revenue to adopt rules to administer the act. It also provides the authority for the department to adopt emergency rules to implement the act, effective for 6 months. They may be renewed during the pendency of procedures to adopt permanent rules.

The bill takes effect upon becoming a law and operates retroactively to January 1, 2026.

IV. **Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds or that limit their ability to raise revenue or receive state tax revenues.

The mandates provisions do not apply because the bill does not require counties or 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:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s. 19 of the Florida Constitution requires legislation pass each chamber by a 2/3 vote and be contained in a separate bill with no other subject if the legislation imposes, authorizes an imposition, increases, or authorizes an increase in a state tax or fee or if it decreases or eliminates a state tax or fee exemption or credit.

The bill does not affect the imposition or increasing of a state tax or fee nor decreases or eliminates a state tax or fee exemption or credit. Thus, the constitutional requirements may not apply.

E. Other Constitutional Issues:

None identified.

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

The Revenue Estimating Conference (REC) determined that the bill will not affect revenue.⁴⁵

B. Private Sector Impact:

The bill would allow taxpayers to generally use the same calculations to determine both their federal and state taxable income, except for the modified calculations that would be required for certain depreciable assets and expenses.

C. Government Sector Impact:

The Department of Revenue may adopt rules necessary to administer this act.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 220.03 and 220.13.

⁴⁵ The Office of Economic and Demographic Research, Revenue Estimating Impact Conference, *Corporate Income Tax, Piggyback Full Decouple, HB 7031*, Feb. 27, 2026.
https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2026/_pdf/page420.pdf (last visited March 1, 2026).

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 Appropriations on March 2, 2026:

The committee substitute updates Florida's corporate income tax code by adopting the Internal Revenue Code as amended and in effect on January 1, 2026, except for several specified sections.

The amendment retains the current law treatment of the following issues by retaining an adoption of the Internal Revenue Code as of January 1, 2025, for the following sections:

- Section 168(k), relating to bonus depreciation of assets,
- Section 174(a), relating to amortization of certain research and experimental expenditures,
- Section 163(j), relating to the deduction for interest paid by businesses,
- Section 274, relating to deductions for certain business meals, and
- Section 179, relating to deductions made by certain small businesses.

The amendment does not adopt the following new sections created by federal law:

- Section 168(n), related to a deduction for qualified production property, and
- Section 174A, a new deduction relating to domestic research and experimental expenditures.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Paragraph (n) of subsection (1) and paragraph
(c) of subsection (2) of section 220.03, Florida Statutes, are
amended to read:

220.03 Definitions.—

(1) SPECIFIC TERMS.—When used in this code, and when not
otherwise distinctly expressed or manifestly incompatible with



380980

the intent thereof, the following terms shall have the following meanings:

(n) "Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended and in effect on January 1, 2026 ~~2025~~, except:

1. As provided in subsection (3);

2. Sections 168(k), 174(a), 163(j), 274, and 179 of the United States Internal Revenue Code of 1986 are included as amended and in effect on January 1, 2025; and

3. Sections 168(n) and 174A are not included.

(2) DEFINITIONAL RULES.—When used in this code and neither otherwise distinctly expressed nor manifestly incompatible with the intent thereof:

(c) Any term used in this code has the same meaning as when used in a comparable context in the Internal Revenue Code and other statutes of the United States relating to federal income taxes, as such code and statutes are in effect on January 1, 2026, except as provided in paragraph (1)(n) ~~2025~~. However, if subsection (3) is implemented, the meaning of a term shall be taken at the time the term is applied under this code.

Section 2. Subsection (2) of section 220.13, Florida Statutes, is amended to read:

220.13 "Adjusted federal income" defined.—

(2) For purposes of this section, a taxpayer's taxable income for the taxable year means taxable income as defined in s. 63 of the Internal Revenue Code and properly reportable for federal income tax purposes for the taxable year, except as provided in s. 220.03(1)(n) and (2)(c), but subject to the limitations set forth in paragraph (1)(b) with respect to the



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deductions provided by ss. 172 (relating to net operating losses), 170(d)(2) (relating to excess charitable contributions), 404(a)(1)(D) (relating to excess pension trust contributions), 404(a)(3)(A) and (B) (to the extent relating to excess stock bonus and profit-sharing trust contributions), and 1212 (relating to capital losses) of the Internal Revenue Code, except that, subject to the same limitations, the term:

(a) "Taxable income," in the case of a life insurance company subject to the tax imposed by s. 801 of the Internal Revenue Code, means life insurance company taxable income; however, for purposes of this code, the total of any amounts subject to tax under s. 815(a)(2) of the Internal Revenue Code pursuant to s. 801(c) of the Internal Revenue Code shall not exceed, cumulatively, the total of any amounts determined under s. 815(c)(2) of the Internal Revenue Code of 1954, as amended, from January 1, 1972, to December 31, 1983;

(b) "Taxable income," in the case of an insurance company subject to the tax imposed by s. 831(b) of the Internal Revenue Code, means taxable investment income;

(c) "Taxable income," in the case of an insurance company subject to the tax imposed by s. 831(a) of the Internal Revenue Code, means insurance company taxable income;

(d) "Taxable income," in the case of a regulated investment company subject to the tax imposed by s. 852 of the Internal Revenue Code, means investment company taxable income;

(e) "Taxable income," in the case of a real estate investment trust subject to the tax imposed by s. 857 of the Internal Revenue Code, means the income subject to tax, computed as provided in s. 857 of the Internal Revenue Code;



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(f) "Taxable income," in the case of a corporation which is a member of an affiliated group of corporations filing a consolidated income tax return for the taxable year for federal income tax purposes, means taxable income of such corporation for federal income tax purposes as if such corporation had filed a separate federal income tax return for the taxable year and each preceding taxable year for which it was a member of an affiliated group, unless a consolidated return for the taxpayer and others is required or elected under s. 220.131;

(g) "Taxable income," in the case of a cooperative corporation or association, means the taxable income of such organization determined in accordance with the provisions of ss. 1381-1388 of the Internal Revenue Code;

(h) "Taxable income," in the case of an organization which is exempt from the federal income tax by reason of s. 501(a) of the Internal Revenue Code, means its unrelated business taxable income as determined under s. 512 of the Internal Revenue Code;

(i) "Taxable income," in the case of a corporation for which there is in effect for the taxable year an election under s. 1362(a) of the Internal Revenue Code, means the amounts subject to tax under s. 1374 or s. 1375 of the Internal Revenue Code for each taxable year;

(j) "Taxable income," in the case of a limited liability company, other than a limited liability company classified as a partnership for federal income tax purposes, as defined in and organized pursuant to chapter 605 or qualified to do business in this state as a foreign limited liability company or other than a similar limited liability company classified as a partnership for federal income tax purposes and created as an artificial



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entity pursuant to the statutes of the United States or any other state, territory, possession, or jurisdiction, if such limited liability company or similar entity is taxable as a corporation for federal income tax purposes, means taxable income determined as if such limited liability company were required to file or had filed a federal corporate income tax return under the Internal Revenue Code;

(k) "Taxable income," in the case of a taxpayer liable for the alternative minimum tax as defined in s. 55 of the Internal Revenue Code, means the alternative minimum taxable income as defined in s. 55(b)(2) of the Internal Revenue Code, less the exemption amount computed under s. 55(d) of the Internal Revenue Code. A taxpayer is not liable for the alternative minimum tax unless the taxpayer's federal tax return, or related federal consolidated tax return, if included in a consolidated return for federal tax purposes, reflect a liability on the return filed for the alternative minimum tax as defined in s. 55(b)(2) of the Internal Revenue Code;

(l) "Taxable income," in the case of a taxpayer whose taxable income is not otherwise defined in this subsection, means the sum of amounts to which a tax rate specified in s. 11 of the Internal Revenue Code plus the amount to which a tax rate specified in s. 1201(a)(2) of the Internal Revenue Code are applied for federal income tax purposes.

Section 3. (1) The amendments made by this act to ss. 220.03(1)(n) and (2)(c) and 220.13(2), Florida Statutes, operate retroactively to January 1, 2026.

(2) Pursuant to the rulemaking authority in s. 213.06, Florida Statutes, and the specific authority in s. 213.05,



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Florida Statutes, for the Department of Revenue to regulate,
control, and administer all revenue laws therein, including all
portions of chapter 220, Florida Statutes, the Department of
Revenue shall adopt rules to implement this act.

(3) The Department of Revenue is authorized, and all
conditions are deemed met, to adopt emergency rules under s.
120.54(4), Florida Statutes, for the purpose of implementing
this act. Notwithstanding any other law, emergency rules adopted
under this section are effective for 6 months after adoption and
may be renewed during the pendency of procedures to adopt
permanent rules addressing the subject of the emergency rules.

Section 4. This act shall take effect upon becoming a law.

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

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled

An act relating to the Internal Revenue Code; amending
s. 220.03, F.S.; revising the definition of the term
"Internal Revenue Code"; amending s. 220.13, F.S.;
conforming provisions to changes made by the act;
providing for retroactive application; requiring the
Department of Revenue to adopt rules; authorizing the
Department of Revenue to adopt emergency rules;
providing an effective date.

By the Committee on Finance and Tax

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A bill to be entitled

An act relating to the Internal Revenue Code; amending s. 220.03, F.S.; revising the date of adoption of the Internal Revenue Code and other federal income tax statutes for purposes of the state corporate income tax; prohibiting retroactivity of certain Internal Revenue Code amendments; specifying that a limitation, a deduction, an expense, or an amortization may only affect the computation of certain taxable income beginning after a specified date; providing an exception; specifying that certain provisions of the Internal Revenue Code are disregarded for certain taxable years; requiring taxpayers to add to and deduct from taxable income in a specified manner; amending s. 220.13, F.S.; revising adjustments taxpayers must make to adjusted federal income with respect to certain tax benefits; authorizing the Department of Revenue to adopt rules; providing retroactive operation; authorizing the department to adopt emergency rules; providing that such emergency rules are effective for a specified period of time; providing that such emergency rules may be renewed under certain circumstances; providing an expiration date; providing an effective date.

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

Section 1. Paragraph (n) of subsection (1) and paragraph (c) of subsection (2) of section 220.03, Florida Statutes, are

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

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amended, and subsection (6) is added to that section, to read:

220.03 Definitions.—

(1) SPECIFIC TERMS.—When used in this code, and when not otherwise distinctly expressed or manifestly incompatible with the intent thereof, the following terms shall have the following meanings:

(n) "Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended and in effect on January 1, 2026 ~~2025~~, except as provided in subsection (3).

(2) DEFINITIONAL RULES.—When used in this code and neither otherwise distinctly expressed nor manifestly incompatible with the intent thereof:

(c) Any term used in this code has the same meaning as when used in a comparable context in the Internal Revenue Code and other statutes of the United States relating to federal income taxes, as such code and statutes are in effect on January 1, 2026 ~~2025~~. However, if subsection (3) is implemented, the meaning of a term shall be taken at the time the term is applied under this code.

(6) COMPUTATION OF TAXABLE INCOME.—Notwithstanding any other provision of this code, amendments to the Internal Revenue Code of 1986, as amended by Pub. L. No. 119-21, which affect the computation of taxable income for taxable years beginning before January 1, 2026, may not be given effect under this code retroactively to such effective date. A limitation, a deduction, an expense, or an amortization may only affect the computation of taxable income for taxable years beginning on or after January 1, 2026, except as provided in this chapter. The amendment to the Internal Revenue Code made by s. 70301 of Pub.

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L. No. 119-21 is disregarded for taxable years beginning before January 1, 2027, and a taxpayer must add to and deduct from taxable income those amounts deducted for federal income tax purposes as bonus depreciation in a manner consistent with s. 220.13(1)(e) and the Internal Revenue Code of 1986, as amended by s. 13201 of Pub. L. No. 115-97.

Section 2. Paragraph (e) of subsection (1) of section 220.13, Florida Statutes, is amended to read:

220.13 "Adjusted federal income" defined.—

(1) The term "adjusted federal income" means an amount equal to the taxpayer's taxable income as defined in subsection (2), or such taxable income of more than one taxpayer as provided in s. 220.131, for the taxable year, adjusted as follows:

(e) *Adjustments related to federal acts.*—Taxpayers shall be required to make the adjustments prescribed in this paragraph for Florida tax purposes with respect to certain tax benefits received pursuant to the Economic Stimulus Act of 2008; the American Recovery and Reinvestment Act of 2009; the Small Business Jobs Act of 2010; the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010; the American Taxpayer Relief Act of 2012; the Tax Increase Prevention Act of 2014; the Consolidated Appropriations Act, 2016; the Tax Cuts and Jobs Act of 2017; ~~and~~ the Coronavirus Aid, Relief, and Economic Security Act of 2020; and the One Big Beautiful Bill Act of 2025.

1.a. There shall be added to such taxable income an amount equal to 100 percent of any amount deducted for federal income tax purposes as bonus depreciation for the taxable year pursuant

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to ss. 167 and 168(k) of the Internal Revenue Code of 1986, as amended by s. 103 of Pub. L. No. 110-185; s. 1201 of Pub. L. No. 111-5; s. 2022 of Pub. L. No. 111-240; s. 401 of Pub. L. No. 111-312; s. 331 of Pub. L. No. 112-240; s. 125 of Pub. L. No. 113-295; s. 143 of Division Q of Pub. L. No. 114-113; and s. 13201 of Pub. L. No. 115-97, for property placed in service after December 31, 2007, and before January 1, 2027.

b. For the taxable year and for each of the 6 subsequent taxable years, there shall be subtracted from such taxable income an amount equal to one-seventh of the amount by which taxable income was increased pursuant to this subparagraph, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

c. The provisions of sub-subparagraph b. do not apply to amounts by which taxable income was increased pursuant to this subparagraph for amounts deducted for federal income tax purposes as bonus depreciation for qualified improvement property as defined in s. 168(e)(6) of the Internal Revenue Code of 1986, as amended by s. 13204 of Pub. L. No. 115-97.

2. There shall be added to such taxable income an amount equal to 100 percent of any amount in excess of \$128,000 deducted for federal income tax purposes for the taxable year pursuant to s. 179 of the Internal Revenue Code of 1986, as amended by s. 102 of Pub. L. No. 110-185; s. 1202 of Pub. L. No. 111-5; s. 2021 of Pub. L. No. 111-240; s. 402 of Pub. L. No. 111-312; s. 315 of Pub. L. No. 112-240; and s. 127 of Pub. L. No. 113-295, for taxable years beginning after December 31, 2007, and before January 1, 2015. For the taxable year and for

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each of the 6 subsequent taxable years, there shall be subtracted from such taxable income one-seventh of the amount by which taxable income was increased pursuant to this subparagraph, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

3. There shall be added to such taxable income an amount equal to the amount of deferred income not included in such taxable income pursuant to s. 108(i)(1) of the Internal Revenue Code of 1986, as amended by s. 1231 of Pub. L. No. 111-5. There shall be subtracted from such taxable income an amount equal to the amount of deferred income included in such taxable income pursuant to s. 108(i)(1) of the Internal Revenue Code of 1986, as amended by s. 1231 of Pub. L. No. 111-5.

4. For taxable years beginning after December 31, 2018, and before January 1, 2021, there shall be added to such taxable income an amount equal to the excess, if any, of:

a. One hundred percent of any amount deducted for federal income tax purposes as business interest expense for the taxable year pursuant to s. 163(j) of the Internal Revenue Code of 1986, as amended by s. 2306 of Pub. L. No. 116-136; over

b. One hundred percent of the amount that would be deductible for federal income tax purposes as business interest expense for the taxable year if calculated pursuant to s. 163(j) of the Internal Revenue Code of 1986, as amended by s. 13301 of Pub. L. No. 115-97.

Any expense added back pursuant to this subparagraph shall be

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treated as a disallowed business expense carryforward from prior years for the year or years following the addition, until such time as the expense has been used.

5. With respect to qualified improvement property as defined in s. 168(e)(6) of the Internal Revenue Code of 1986, as amended by s. 13204 of Pub. L. No. 115-97, that was placed in service on or after January 1, 2018:

a. There shall be added to such taxable income an amount equal to 100 percent of any amount deducted for federal income tax purposes under s. 167(a) of the Internal Revenue Code of 1986. There shall be subtracted an amount equal to the amount of depreciation that would have been deductible pursuant to s. 167(a) of the Internal Revenue Code of 1986 in effect on January 1, 2020 and without regard to s. 2307 of Pub. L. No. 116-136, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

b. The department may adopt rules necessary to administer the provisions of this subparagraph, including rules, forms, and guidelines for computing depreciation on qualified improvement property, as defined in s. 168(e)(6) of the Internal Revenue Code of 1986.

6. For taxable years beginning after December 31, 2020, and before January 1, 2026, the changes made to the Internal Revenue Code by Pub. L. No. 116-260, Division EE, Title I, s. 116 and Title II, s. 210 shall not apply to this chapter. Taxable income under this section shall be calculated as though changes made by those sections were not made to the Internal Revenue Code. The Department of Revenue may adopt rules necessary to administer

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the provisions of this subparagraph, including rules, forms, and guidelines for treatment of expenses and depreciation related to these changes.

7.a. For taxable years beginning on and after January 1, 2027, there shall be added to taxable income an amount equal to 100 percent of any amount deducted for the taxable year as bonus depreciation pursuant to s. 70301 of Pub. L. No. 119-21 for qualified property as defined in s. 168(k)(2) of the Internal Revenue Code of 1986.

b. For the taxable year and for each of the 6 subsequent taxable years, there shall be subtracted from such taxable income an amount equal to one-seventh of the amount by which taxable income was increased pursuant to this subparagraph, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

c. The department may adopt rules necessary to administer this subparagraph, including rules, forms, and guidelines for computing depreciation on property defined in this subparagraph.

8.a. For taxable years beginning on and after January 1, 2026, there shall be added to taxable income an amount equal to 100 percent of any amount deducted for the taxable year as bonus depreciation pursuant to s. 70307 of Pub. L. No. 119-21 for qualified production property as defined in s. 168(n)(2) of the Internal Revenue Code of 1986.

b. For the taxable year and for each of the 6 subsequent taxable years, there shall be subtracted from such taxable income an amount equal to one-seventh of the amount by which taxable income was increased pursuant to this subparagraph,

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notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

c. The department may adopt rules necessary to administer this subparagraph, including rules, forms, and guidelines for computing depreciation on property defined in this subparagraph.

9. For taxable years beginning on and after January 1, 2026, the changes made to the Internal Revenue Code to s. 174 and the creation of s. 174A of the Internal Revenue Code by s. 70302 of Pub. L. No. 119-21 do not apply to this chapter.

a. For taxable years beginning on and after January 1, 2026, there shall be added to taxable income an amount equal to 100 percent of any amount deducted for s. 174 or s. 174A of the Internal revenue Code.

b. There shall be subtracted from such taxable income an amount that would have been deductible pursuant to s. 174 of the Internal Revenue Code of 1986 had the amendments made to s. 174 and the creation of s. 174A of the Internal Revenue Code by s. 70302 of Pub. L. No. 119-21 not taken effect.

c. The department may adopt rules necessary to administer this subparagraph, including rules, forms, and guidelines for computing the deduction related to these changes.

10.a. For taxable years beginning on and after January 1, 2026, there shall be added to such taxable income an amount equal to 100 percent of any amount deducted for federal income tax purposes pursuant to s. 179 of the Internal Revenue Code of 1986, as amended by s. 70306 of Pub. L. No. 119-21.

b. For the taxable year and for each of the 6 subsequent taxable years, there shall be subtracted from such taxable

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income one-seventh of the amount by which taxable income was increased pursuant to this subparagraph, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

c. The department may adopt rules necessary to administer this subparagraph, including rules, forms, and guidelines for computing depreciation as provided in this subparagraph.

11.a. For taxable years beginning on and after January 1, 2026, there shall be added to such taxable income an amount equal to 100 percent of any amount deducted for federal income tax purposes pursuant to s. 274 of the Internal Revenue Code as amended by s. 70305 of Pub. L. No. 119-21.

b. There shall be subtracted from such taxable income an amount that would have been deductible pursuant to s. 274 of the Internal Revenue Code of 1986 had the amendments by Pub. L. No. 119-21 to s. 274 of the Internal Revenue Code not taken effect.

c. The department may adopt rules necessary to administer this subparagraph, including rules, forms, and guidelines for computing the deduction as provided in this subparagraph.

12.a. For taxable years beginning on and after January 1, 2026, there shall be added to such taxable income an amount equal to 100 percent of any amount deducted for federal income tax purposes pursuant to s. 163 of the Internal Revenue Code as amended by s. 70303, s. 70341, and s. 70342 of Pub. L. No. 119-21.

b. There shall be subtracted from such taxable income an amount that would have been deductible pursuant to s. 163 of the Internal Revenue Code of 1986 had the amendments by Pub. L. No.

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119-21 to s. 163 of the Internal Revenue Code not taken effect.

c. The department may adopt rules necessary to administer this subparagraph, including rules, forms, and guidelines for computing the deduction as provided in this subparagraph.

13.7- Subtractions available under this paragraph may be transferred to the surviving or acquiring entity following a merger or acquisition and used in the same manner and with the same limitations as specified by this paragraph.

14.8- The additions and subtractions specified in this paragraph are intended to adjust taxable income for Florida tax purposes, and, notwithstanding any other provision of this code, such additions and subtractions shall be permitted to change a taxpayer's net operating loss for Florida tax purposes.

Section 3. The amendments made by this act to ss. 220.03 and 220.13, Florida Statutes, operate retroactively to January 1, 2026.

Section 4. (1) The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules under s. 120.54(4), Florida Statutes, for the purpose of administering this act. Notwithstanding any other law, emergency rules adopted under this section are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

(2) This section expires July 1, 2027.

Section 5. This act shall take effect upon becoming a law.

The Florida Senate
APPEARANCE RECORD

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

3/2/2026

Meeting Date

Appropriations

Committee

SB 7048

Bill Number or Topic

380980

Amendment Barcode (if applicable)

Name

FRENCH BROWN

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State

Zip

Speaking:

☐

For

☐

Against

☒

Information

OR

Waive Speaking:

☐

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

☐

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

FLORIDA Chamber of Commerce

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5203

INTRODUCER: State Administration Budget Subcommittee and Representative Miller

SUBJECT: Government Administration

DATE: February 27, 2026

REVISED: 3/3/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Urban	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5203 establishes a Florida Accountability Office (FAO) in the Legislature comprising of four divisions, reorganizes certain audit functions, and expands the audit mission to include investigations of whistleblower complaints and other matters. The bill also changes the appointment and term of the Auditor General to two-year terms corresponding to the biennial reorganization of the Legislature. The bill assigns to each division primary responsibility for particular types of audits and investigations, and directs the Auditor General and other legislative offices to review and report on the need for further definition and delineation of audit functions. Additionally, the bill revises a number of provisions in ch. 216, F.S., relating to state planning and budgeting.

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

The bill is effective July 1, 2026, except as otherwise expressly provided

II. Present Situation:

Florida Auditor General

Article III, s. 2 of the Florida Constitution, requires the Legislature to appoint an auditor that serves at its pleasure and who is required to audit public records and perform related duties as prescribed by law or concurrent resolution. Section 11.42, F.S., requires the auditor general to be appointed to office by a majority vote of the members of the Legislative Auditing Committee,

subject to confirmation of both houses. The appointment of the auditor general may be terminated at any time by a majority vote of both houses.

The Auditor General is required to be certified under the Public Accountancy Law for a period of at least 10 years and have not less than 10 years' experience in an accounting or auditing related field.¹ The auditor general is required to make all spending decisions within the annual operating budget approved by the President of the Senate and the Speaker of the House of Representatives.

Officers or salaried employees of the Office of the Auditor General are prohibited from serving as the representative of any political party or on any executive committee or other governing body thereof; serving as an executive, officer, or employee of any political party committee, organization, or association; or be engaged on behalf of any candidate for public office in the solicitation of votes or other activities in behalf of such candidacy. Additionally, neither the auditor general nor any employee of the auditor general may become a candidate for election to public office unless she or he first resigns from office or employment.

State Budgeting and Planning

Chapter 216, F.S., provides guidelines and requirements for the Executive Office of the Governor, state agencies, and the judicial branch for developing and submitting legislative budget requests and implementing legislative appropriations in accordance with s. 19, Art. III, of the Florida Constitution.

Legislative Budget Requests

In accordance with s. 19, Art. III, of the Florida Constitution, s. 216.023, F.S., requires state agencies and the judicial branch to submit requests for the Legislature for the amounts of money such agency or branch believes will be needed in the performance of the functions that it is authorized, or which it is requesting authorization by law, to perform.²

Each state agency and the judicial branch is required to submit a final legislative budget request to the Legislature and the Governor in the form and manner prescribed by the budget instructions no later than October 15th of each year, unless an alternative date is agreed to be in the best interest of the state by the Governor and the chairs of the legislative appropriations committees.³

Authorized Positions

The total number of authorized positions of a state agency or entity of the judicial branch may not exceed the total provided in the General Appropriations Act, unless otherwise expressly provided by law.⁴ If a state agency or entity of the judicial branch finds that the number of positions so provided is not sufficient to administer its authorized programs, it may file an application with the Executive Office of the Governor or the Chief Justice. If the Executive Office of the Governor or Chief Justice certifies that there are no authorized positions available for addition, deletion, or transfer within the agency and recommends an increase in the number

¹ Section 11.42, F.S.

² Section 216.011(1)(cc), F.S.

³ Section 216.023.

⁴ Section 216.262, F.S.

of positions, the Governor or the Chief Justice may recommend an increase in the number of positions for the following reasons only:

- To implement or provide for continuing federal grants or changes in grants not previously anticipated.
- To meet emergencies pursuant to s. 252.36.
- To satisfy new federal regulations or changes therein.
- To take advantage of opportunities to reduce operating expenditures or to increase the revenues of the state or local government.
- To authorize positions that were not fixed by the Legislature through error in drafting the appropriations acts.⁵

Actions recommended by the Executive Office of the Governor or the Chief Justice are subject to the approval by the Legislative Budget Commission.⁶

Historically, there has been an exception provided for the Department of Corrections in the bill implementing the General Appropriations Act.⁷ For the 2025-2026 fiscal year, if the actual inmate population of the Department of Corrections exceeds the inmate population projections of the February 1, 2025, Criminal Justice Estimating Conference by 1 percent for 2 consecutive months or 2 percent for any month, the Executive Office of the Governor, with the approval of the Legislative Budget Commission, is required to immediately notify the Criminal Justice Estimating Conference, which shall convene as soon as possible to revise the estimates.

The Department of Corrections is then authorized to submit a budget amendment requesting the establishment of positions in excess of the number authorized by the Legislature and additional appropriations from unallocated general revenue sufficient to provide for essential staff, fixed capital improvements, and other resources to provide classification, security, food services, health services, and other variable expenses within the institutions to accommodate the estimated increase in the inmate population.⁸

Transfers of Appropriations

Funds provided in the General Appropriations Act or otherwise expressly provided by law are required to be expended only for the purpose for which appropriated. Appropriations may not be transferred between state agencies, or between a state agency and the judicial branch, unless specifically authorized by law.⁹

However, there are some exceptions provided in s. 216.292, F.S., provided the transfer is determined to be in the best interest of the state. Additionally, such authorized revisions must be consistent with the intent of the approved operating budget, must be consistent with legislative policy and intent, and may not conflict with specific spending policies specified in the General Appropriations Act.¹⁰

⁵ *Id.*

⁶ *Id.*

⁷ Chapter 2025-199, s. 48, Laws of Fla.

⁸ Section 216.262(4), F.S.

⁹ *Id.*

¹⁰ Section 216.292, F.S.

The transfer of appropriations funded from identical funding sources, except appropriations for fixed capital outlay, and the transfer of amounts included within the total original approved budget and plans of releases of appropriations as furnished pursuant to ss. 216.181 and 216.192, F.S., may be made by the head of each department or the Chief of the Supreme Court whenever it is deemed necessary by reason of changed conditions as follows:

- Between categories of appropriations within a budget entity, if no category of appropriation is increased or decreased by more than five percent of the original approved budget or \$250,000, whichever is greater, by all action taken under this subsection.
- Between budget entities within identical categories of appropriations, if no category of appropriation is increased or decreased by more than five percent of the original approved budget or \$250,000, whichever is greater, by all action taken under this subsection.¹¹

However, any agency exceeding salary rate established pursuant to s. 216.181(8) on June 30th of any fiscal year is not authorized to make such transfers in the subsequent fiscal year.

Notice of proposed transfers must be provided to the Executive Office of the Governor and the chairs of the legislative appropriations committees at least three days prior to agency implementation, in order to provide an opportunity for review. The review shall be limited to ensuring that the transfer is in compliance with the requirements of this paragraph, but must ensure that transfers proposed pursuant to this paragraph comply with this chapter, maximize the use of available and appropriate trust funds, and are not contrary to legislative policy and intent.

The following transfers are authorized with the approval of the Executive Office of the Governor for the executive branch or the Chief Justice for the judicial branch, subject to the notice and objection provisions of s. 216.177, F.S.:

- The transfer of appropriations for operations from trust funds up to \$1 million.
- The transfer of positions between budget entities.¹²

The following transfers are authorized with the approval of the Legislative Budget Commission. Unless waived by the chair and vice chair of the commission, notice of such transfers must be provided 14 days before the commission meeting:

- The transfer of appropriations for operations from the General Revenue Fund in excess of \$1 million, but within a state agency or within the judicial branch, as recommended by the Executive Office of the Governor or the Chief Justice of the Supreme Court.
- The transfer of appropriations for operations from trust funds in excess of \$1 million, as recommended by the Executive Office of the Governor or the Chief Justice of the Supreme Court.
- The transfer of the portion of an appropriation for a named fixed capital outlay project found to be in excess of that needed to complete the project to another project for which there has been an appropriation in the same fiscal year from the same fund and within the same department where a deficiency is found to exist, at the request of the Executive Office of the Governor for state agencies or the Chief Justice of the Supreme Court for the judicial branch.

¹¹ Section 216.292(2), F.S.

¹² Section 216.292(3), F.S.

- The transfers necessary to accomplish the purposes of reorganization within state agencies or the judicial branch authorized by the Legislature when the necessary adjustments of appropriations and positions have not been provided in the General Appropriations Act.¹³

III. Effect of Proposed Changes:

Section 1 amends s. 11.26, F.S., to add employees of joint offices or the Florida Accountability Office to the list of employees that must have the permission of the presiding officers of both houses before engaging in outside employment.

Section 2 amends s. 11.40, F.S., to revise the authority of the Joint Legislative Auditing Committee. In cases where the committee has determined that a local governmental entity or district school board should be subject to further state action, the bill requires the committee to "advise" instead of "direct" the Department of Revenue (DOR) and Department of Financial Services (DFS) to withhold certain funds until the entity complies with the law.

The bill specifies that upon receipt of the advice the DOR and DFS have the authority to withhold the funds, and within 30 days from receipt of the advice withhold the funds or report the reasons for not doing so to the committee.

The bill requires the committee to "notify" rather than "request" the Department of Commerce to take action against special districts that fail to comply with the law.

Section 3 amends s. 11.40, F.S., effective November 18, 2027, to remove the requirement that a random sample of 3 percent of all legislative branch lobbying firms and executive branch lobbying firms be conducted.

Section 4 creates s. 11.405, F.S., to establish the Florida Accountability Office (FAO) under which the audit functions currently under the purview of the Legislature are consolidated into four divisions: Auditor General, General Accountability, Office of Program Policy Analysis and Government Accountability (OPPAGA), and a Public Integrity division. The bill authorizes any unit of the FAO to conduct any audit or investigation authorized by s. 11.45, F.S., except accounts and records of certain entities.

Audits and investigations would require consultation with the presiding officers of the Legislature for guidance regarding objectives and scope of the engagement. Governance of the FAO would be under direct authority of the Legislature comparable to the present governance of Joint Legislative Auditing Committee, OPPAGA, and similar legislative offices. Restrictions under current law on political activity and outside employment of auditor general employees are extended to all FAO personnel.

The bill establishes the FAO headquarters as the state capitol, but authorizes the Legislature to establish field offices. The bill requires the auditor general to be appointed by the Legislature for

¹³ Section 216.292(4), F.S.

two year-terms, coinciding with biennial reorganization of the Legislature, and head a division devoted to financial audits.

Section 5 creates s. 11.406, F.S., relating to public integrity division investigations, to require that beginning with the 2027-2028 fiscal year, the Auditor General and the Public Integrity Division is required to randomly select and review appropriations projects appropriated in the prior fiscal year, and if appropriate, investigate and recommend an audit of such projects. Each review must include an evaluation of the appropriations project recipient's efficient and effective administration of the project.

The bill authorizes the division to request the Legislative Auditing Committee or any legislative committee to exercise existing powers¹⁴ to issue subpoenas and subpoenas duces tecum to compel testimony or the production of evidence when deemed necessary to an authorized investigation. The bill also provides the means for enforcing a subpoena.

Additionally, the bill authorizes the division to select and review the financial activities of any political subdivision, special district, public authority, public hospital, state or local council or commission, unit of local government, or public education entity in this state, as well as any authority, council, commission, direct support organization, institution, foundation, or similar entity created for a public purpose, entitled by law to any distribution of tax or fee revenues, or organized for the sole purpose of supporting certain public entities.

Section 6 creates s. 11.407, F.S., to require, beginning January 1, 2027, the General Accountability division to conduct all operational audits and compliance audits required by law, except those specifically assigned to the auditor general or OPPAGA.

Section 7 amends s. 11.42, F.S., relating to the auditor general, to revise the requirements of who appoints the auditor general (who will be appointed by the Legislature as required under Section 4 of the bill).

The bill removes the authority of the auditor general to make all spending decisions within the annual operating budget approved by the President and Speaker, including employing qualified persons necessary to the efficient operation of the auditor general's office and fix their compensation with the approval of the President and Speaker.

Section 8 amends s. 11.45, F.S., to define the term "compliance audit" to mean an operational audit or a performance audit directed at the systems and processes, governance, legal compliance, regulations, and contracts of an agency, a program, or an activity, as well as any other objectives specified by the entity requesting or directing the examination. The bill broadens the duties of the auditor general under current law to apply to the FAO.

Section 9 amends s. 11. 47, F.S., to make conforming changes.

Section 10 amends s. 11.51, F.S., relating to OPPAGA, to make conforming changes.

¹⁴ Section 11.143(3), F.S.

Section 11 amends s. 14.32, F.S., to require the Chief Inspector General to report expeditiously and cooperate fully with the Chief Financial Officer, in addition to the Florida Department of Law Enforcement and Department of Legal Affairs and other law enforcement agencies when there are recognizable grounds to believe that there has been a violation of criminal law or a civil action should be taken.

Section 12 amends s. 112.3187, F.S., to expand the Whistle-blower's Act to include the FAO. **Section 13** amends s. 112.3188, F.S., to expand the Whistle-blower's Act to include the FAO and allegations against an individual that "is suspected of having committed" an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty.

Section 14 amends s. 112.3189, F.S., to expand the Whistle-blower's Act to include the FAO and require at least once per month that the Chief Inspector General submit an accurate summary of information received via the hotline.

Section 15 amends s. 112.31901, F.S., to provide that the public records exemption may not prevent the FAO from reviewing any records of any investigation.

Section 16 amends s. 112.3215, F.S., to authorize certain lobbying records to be reviewed for the purposes of an audit or examination directed by the Legislative Auditing Committee.

Section 17 amends s. 112.324, F.S., to expand the authority of the Commission on Ethics to investigate based on written referrals from an inspector general or the Florida Accountability Office.

Section 18 amends s. 216.011, F.S., to provide that that the term "fixed capital outlay" does not include minor repairs or maintenance and may be appropriated in an expense, contracted services, or special appropriation category.

Section 19 amends s. 216.023, F.S., to codify the current practice of submitting legislative budget requests by September 15 of each odd-numbered year and October 15 of each even-numbered year.

Section 20 repeals s. 216.052, F.S., relating to community budget requests.

Section 21 amends s. 216.134, F.S., to require the Office of Economic and Demographic Research to make available to the public "all materials, unless exempt, that will be considered by the conference" at least 24 hours before a scheduled session or a meeting of a consensus estimating conference.

Section 22 amends s. 216.177, F.S., to authorize the chair or the vice chair of the Legislative Budget Commission or the President of the Senate or the Speaker of the House of Representatives to object to a budget amendment.

Section 23 amends s. 216.192, F.S., to require the approval of annual release plans to be subject to the notice, review, and objection procedures of s. 216.177, F.S.

Section 24 amends s. 216.222, F.S., to restrict funds in the Budget Stabilization Fund from being used for an emergency unless the emergency was declared by law, rather than by the Governor, and requires such transfer to be made pursuant to an appropriation.

Section 25 amends s. 216.262, F.S., to authorize the Department of Corrections to submit a budget amendment to increase the number of authorized positions if the inmate population projections are over Criminal Justice Estimating Conference estimates.

Section 26 amends s. 216.292, F.S., to clarify that transfers of appropriations may be made between agencies if specifically authorized in the General Appropriations Act in addition to by law. The bill also authorizes transfers for state-wide distributions for Risk Management, Human Resource Services, Division of Administrative Hearings, and Data Processing.

Section 27 amends s. 409.8134, F.S., to authorize, notwithstanding ss. 216.181 and 216.292, F.S., the Agency for Healthcare Administration (AHCA) to submit a budget amendment, subject so s. 216.177, F.S., to realign funding within the Florida KidCare program appropriation categories or to increase budget authority in the Children's Medical Services network category to address projected surpluses and deficits within the program or to maximize the use of state trust funds. A single budget amendment may be submitted by the agency in the last quarter of the fiscal year.

Section 28 amends s. 409.902, F.S., to authorize, notwithstanding ss. 216.181 and 216.292, F.S., the AHCA to submit a budget amendment, subject to s. 216.177, F.S., to realign funding within the Medicaid program appropriation categories to address projected surpluses and deficits within the program and to maximize the use of state trust funds. A single budget amendment may be submitted by the AHCA in the last quarter of the fiscal year.

Sections 29 and 30 amend ss. 20.055 and 760.06, F.S., respectively, to make conforming changes.

Section 31 requires each state agency to review its rules regarding audit requirements and report any such rule that is not specified in statute to the Joint Legislative Auditing Committee. The bill also requires joint review of all statutory audit requirements imposed on public or private entities. The bill requires a report by the auditor general, the Joint Legislative Auditing Committee, and OPPAGA to be submitted by October 1, 2027, containing certain information on all statutory audit requirements.

Section 32 provides that the bill is effective on July 1, 2026, except as otherwise provided.

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 creates the Florida Accountability Office, the costs of which may 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: 11.26, 11.40, 11.42, 11.45, 11.47, 11.51, 14.32, 112.3187, 112.3188, 112.3189, 112.31901, 112.3215, 112.324, 216.011, 216.023, 216.137, 216.177, 216.192, 216.222, 216.262, 216.292, 409.8134, 409.902, 20.055, and 760.06.

This bill creates the following sections of the Florida Statutes: 11.405, 11.406, and 11.407.

This bill repeals section 216.052 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:**Barcode 629570 by Appropriations on March 2, 2026:**

This amendment deletes everything and does not insert additional language. (WITH TITLE AMENDMENT)



629570

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5203

2026

1 A bill to be entitled
 2 An act relating to government administration; amending
 3 s. 11.26, F.S.; revising the employees required to
 4 have permission of the presiding officers of both
 5 houses before accepting certain employment; amending
 6 s. 11.40, F.S.; revising duties of the Legislative
 7 Auditing Committee, the Department of Revenue, and the
 8 Department of Financial Services relating to the
 9 failure of certain entities to comply with specified
 10 auditing and financial reporting requirements;
 11 revising procedures that the Department of Revenue and
 12 the Department of Financial Services may take upon
 13 receipt of certain advice; removing Legislative
 14 Auditing Committee procedures for conducting audits;
 15 creating s. 11.405, F.S.; creating the Florida
 16 Accountability Office within the Legislature for
 17 specified purposes; providing for the administration
 18 of such office in a specified manner; providing that
 19 the office shall consist of certain units; providing
 20 leadership selection and terms of office for certain
 21 such units; providing responsibilities and
 22 organization of certain units; providing requirements
 23 for actions between and among such units; providing
 24 the office location; requiring the Legislature to
 25 provide certain administrative support; providing

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26 requirements for spending decisions and budgeting;
 27 requiring the office to employ persons for a specified
 28 purpose; requiring the office to make certain
 29 employment-related decisions with the approval of
 30 specified persons; prohibiting certain officers and
 31 employees of the office from certain activities
 32 relating to political parties and candidates;
 33 requiring certain parties to resign before becoming a
 34 candidate for election; creating s. 11.406, F.S.;
 35 defining the terms "appropriations project" and
 36 "investigation"; providing procedures for submitting
 37 complaints; providing procedures to be taken by the
 38 Public Integrity Division upon receipt of a complaint;
 39 authorizing the division to inspect and investigate
 40 certain items and locations; authorizing the division
 41 to agree to retain the confidentiality of such
 42 information; authorizing specified entities to issue
 43 subpoenas in a certain manner; providing procedures
 44 for the enforcement of such subpoenas; requiring the
 45 division to receive certain reports; requiring the
 46 Auditor General and the division to randomly select
 47 and review, investigate, or audit certain projects and
 48 entities beginning in a specified fiscal year;
 49 providing requirements for such reviews,
 50 investigations, and audits; requiring the Auditor

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51 General to make certain determinations about
 52 recommended audits; requiring such determinations be
 53 reported to the Joint Legislative Auditing Committee;
 54 creating s. 11.407, F.S.; requiring the General
 55 Accountability Division of the office to conduct
 56 certain operational and compliance audits beginning on
 57 a specified date; authorizing the division to assist
 58 other units of the office in conducting certain audits
 59 and investigations; amending s. 11.42, F.S.; revising
 60 a requirement that the Auditor General possess certain
 61 requirements; requiring a deputy director of auditing
 62 who possesses certain qualifications be appointed in
 63 certain circumstances; requiring the Auditor General
 64 to consult with certain entities for a specified
 65 purpose; requiring the Auditor General to adopt
 66 certain rules; revising rulemaking authority of the
 67 Auditor General; amending s. 11.45, F.S.; defining the
 68 term "compliance audit"; revising the definition of
 69 the term "operational audit"; providing that duties of
 70 the office are independent of an audited entity;
 71 revising the entities authorized to direct the office
 72 to conduct an audit or engagement; revising the
 73 frequency with which audits and engagements may be
 74 conducted; specifying that certain provisions apply to
 75 examinations and investigations; authorizing a

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76 designated representative of the office to discuss an
 77 audit, examination, or investigation with certain
 78 officials; providing an alternate deadline for
 79 responses to findings; revising the circumstances
 80 under which the Legislative Auditing Committee is
 81 notified of the failure of certain school boards and
 82 institutions to take corrective action; amending ss.
 83 11.47 and 11.51, F.S.; conforming provisions to
 84 changes made by the act; amending s. 14.32, F.S.;
 85 revising the entities with whom the Chief Inspector
 86 General is required to report and cooperate; amending
 87 s. 112.3187, F.S.; revising legislative intent;
 88 revising the types of disclosures that receive certain
 89 protections; amending s. 112.3188, F.S.; providing
 90 that the office is included in certain confidentiality
 91 provisions; revising the types of disclosures that
 92 receive certain protections; revising the reports that
 93 receive certain confidential protection to include
 94 reports of certain suspected acts; revising the
 95 entities authorized to receive certain confidential
 96 information; amending s. 112.3189, F.S.; including the
 97 office in the list of entities required to conduct
 98 certain investigations in a specified manner;
 99 providing that specified persons may determine that an
 100 investigation is not required; requiring certain

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101 information from the whistle-blower's hotline be
 102 communicated to the office at least once per month;
 103 requiring such information be maintained in a certain
 104 manner; amending s. 112.31901, F.S.; authorizing the
 105 office to review certain records; amending s.
 106 112.3215, F.S.; revising how certain documents and
 107 information may be accessed for audits and
 108 examinations; amending s. 112.324, F.S.; authorizing
 109 additional entities to refer matters to the Commission
 110 on Ethics; amending s. 216.011, F.S.; revising the
 111 definition of the term "fixed capital outlay";
 112 amending s. 216.023, F.S.; revising the frequency with
 113 which a state agency must submit its legislative
 114 budget request; repealing s. 216.052, F.S., relating
 115 to community budget requests and appropriations;
 116 amending s. 216.137, F.S.; requiring certain
 117 workpapers be posted on a public website a certain
 118 time before a meeting or session; amending s. 216.177,
 119 F.S.; revising the circumstances under which a
 120 specified notification regarding spending authority
 121 may be made; amending s. 216.192, F.S.; providing that
 122 the approval of annual release plans is a budget
 123 action; amending s. 261.222, F.S.; revising conditions
 124 under which money may be provided for a state
 125 emergency; amending s. 216.262, F.S.; requiring the

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126 use of the most recent removing the expiration of a
 127 certain procedure; amending s. 216.292, F.S.;
 128 authorizing specified appropriations to be transferred
 129 between certain entities under certain circumstances;
 130 authorizing the Executive Office of the Governor to
 131 transfer certain funds for a specified purpose;
 132 providing that certain transfers and adjustments are
 133 subject to specified procedures; removing the
 134 expiration of a certain review of transfers; removing
 135 a requirement that the Legislature authorize certain
 136 transfers; amending ss. 409.8134 and 409.902, F.S.;
 137 authorizing specified entities to submit budget
 138 amendments in a certain manner; amending ss. 20.055
 139 and 760.06, F.S.; requiring each state agency to
 140 review and report certain rules to the Joint
 141 Legislative Auditing Committee; requiring the Auditor
 142 General, the Joint Legislative Auditing Committee, and
 143 the Office of Program Policy Analysis and Government
 144 Accountability to jointly review certain audit
 145 requirements and deliver a report to certain entities
 146 by a specified date; requiring the report to contain
 147 certain information; authorizing the President of the
 148 Senate and the Speaker of the House of Representatives
 149 to provide certain personnel and support for a
 150 specified purpose; authorizing the Administrative

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151 Procedures Committee and the Division of Law Revision
 152 to provide certain assistance for a specified purpose;
 153 providing effective dates.

154
 155 Be It Enacted by the Legislature of the State of Florida:

156
 157 **Section 1. Subsection (3) of section 11.26, Florida**
 158 **Statutes, is amended to read:**

159 11.26 Legislative employees; employment restrictions.—No
 160 employee of the Legislature shall:

161 (3) No full-time legislative employee shall be otherwise
 162 employed, except with the written permission of the presiding
 163 officer of the house by which he or she is employed. Employees
 164 of joint committees, joint offices, or the Florida
 165 Accountability Office must have the permission of the presiding
 166 officers of both houses.

167 **Section 2. Paragraphs (a) and (b) of subsection (2) of**
 168 **section 11.40, Florida Statutes, are amended to read:**

169 11.40 Legislative Auditing Committee.—

170 (2) Following notification by the Auditor General, the
 171 Department of Financial Services, the Division of Bond Finance
 172 of the State Board of Administration, the Governor or his or her
 173 designee, or the Commissioner of Education or his or her
 174 designee of the failure of a local governmental entity, district
 175 school board, charter school, or charter technical career center

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176 to comply with the applicable provisions within s. 11.45(5)-(7),
 177 s. 218.32(1), s. 218.38, or s. 218.503(3), the Legislative
 178 Auditing Committee may schedule a hearing to determine if the
 179 entity should be subject to further state action. If the
 180 committee determines that the entity should be subject to
 181 further state action, the committee shall:

182 (a) In the case of a local governmental entity or district
 183 school board, advise ~~direct~~ the Department of Revenue and the
 184 Department of Financial Services to withhold any funds not
 185 pledged for bond debt service satisfaction which are payable to
 186 such entity until the entity complies with the law. Upon receipt
 187 of the committee shall specify the date that such advice, action
 188 ~~must begin, and the directive must be received by~~ the Department
 189 of Revenue and the Department of Financial Services shall have
 190 the authority to withhold such funds until the entity complies
 191 with the law. Beginning 30 days after receiving such advice,
 192 each department must either withhold all such funds or report
 193 the reasons for not doing so to the committee before the date of
 194 ~~the distribution mandated by law. The Department of Revenue and~~
 195 ~~the Department of Financial Services may implement this~~
 196 ~~paragraph.~~

197 (b) In the case of a special district created by:

198 1. A special act, notify the President of the Senate, the
 199 Speaker of the House of Representatives, the standing committees
 200 of the Senate and the House of Representatives charged with

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201 special district oversight as determined by the presiding
 202 officers of each respective chamber, the legislators who
 203 represent a portion of the geographical jurisdiction of the
 204 special district, and the Department of Commerce that the
 205 special district has failed to comply with the law. Upon receipt
 206 of notification, the Department of Commerce shall proceed
 207 pursuant to s. 189.062 or s. 189.067. If the special district
 208 remains in noncompliance after the process set forth in s.
 209 189.0651, or if a public hearing is not held, the Legislative
 210 Auditing Committee may notify ~~request~~ the department, which
 211 shall ~~to~~ proceed pursuant to s. 189.067(3).

212 2. A local ordinance, notify the chair or equivalent of
 213 the local general-purpose government pursuant to s. 189.0652 and
 214 the Department of Commerce that the special district has failed
 215 to comply with the law. Upon receipt of notification, the
 216 department shall proceed pursuant to s. 189.062 or s. 189.067.
 217 If the special district remains in noncompliance after the
 218 process set forth in s. 189.0652, or if a public hearing is not
 219 held, the Legislative Auditing Committee may notify ~~request~~ the
 220 department, which shall ~~to~~ proceed pursuant to s. 189.067(3).

221 3. Any manner other than a special act or local ordinance,
 222 notify the Department of Commerce that the special district has
 223 failed to comply with the law. Upon receipt of notification, the
 224 department shall proceed pursuant to s. 189.062 or s.
 225 189.067(3).

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226 **Section 3. Effective November 18, 2027, subsection (3) of**
 227 **section 11.40, Florida Statutes, is amended to read:**

228 11.40 Legislative Auditing Committee.—

229 ~~(3)(a) As used in this subsection, "independent contract~~
 230 ~~auditor" means a state-licensed certified public accountant or~~
 231 ~~firm with which a state-licensed certified public accountant is~~
 232 ~~currently employed or associated who is actively engaged in the~~
 233 ~~accounting profession.~~

234 ~~(b) Audits specified in this subsection cover the~~
 235 ~~quarterly compensation reports for the previous calendar year~~
 236 ~~for a random sample of 3 percent of all legislative branch~~
 237 ~~lobbying firms and a random sample of 3 percent of all executive~~
 238 ~~branch lobbying firms calculated using as the total number of~~
 239 ~~such lobbying firms those filing a compensation report for the~~
 240 ~~preceding calendar year. The committee shall provide for a~~
 241 ~~system of random selection of the lobbying firms to be audited.~~

242 ~~(c) The committee shall create and maintain a list of not~~
 243 ~~less than 10 independent contract auditors approved to conduct~~
 244 ~~the required audits. Each lobbying firm selected for audit in~~
 245 ~~the random audit process may designate one of the independent~~
 246 ~~contract auditors from the committee's approved list. Upon~~
 247 ~~failure for any reason of a lobbying firm selected in the random~~
 248 ~~selection process to designate an independent contract auditor~~
 249 ~~from the committee's list within 30 calendar days after being~~
 250 ~~notified by the committee of its selection, the committee shall~~

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251 ~~assign one of the available independent contract auditors from~~
 252 ~~the approved list to perform the required audit. No independent~~
 253 ~~contract auditor, whether designated by the lobbying firm or by~~
 254 ~~the committee, may perform the audit of a lobbying firm where~~
 255 ~~the auditor and lobbying firm have ever had a direct personal~~
 256 ~~relationship or any professional accounting, auditing, tax~~
 257 ~~advisory, or tax preparing relationship with each other. The~~
 258 ~~committee shall obtain a written, sworn certification subject to~~
 259 ~~s. 837.06, both from the randomly selected lobbying firm and~~
 260 ~~from the proposed independent contract auditor, that no such~~
 261 ~~relationship has ever existed.~~

262 ~~(d) Each independent contract auditor shall be engaged by~~
 263 ~~and compensated solely by the state for the work performed in~~
 264 ~~accomplishing an audit under this subsection.~~

265 ~~(e) Any violations of law, deficiencies, or material~~
 266 ~~misstatements discovered and noted in an audit report shall be~~
 267 ~~clearly identified in the audit report and be determined under~~
 268 ~~the rules of either house of the Legislature or under the joint~~
 269 ~~rules, as applicable.~~

270 ~~(f) If any lobbying firm fails to give full, frank, and~~
 271 ~~prompt cooperation and access to books, records, and associated~~
 272 ~~backup documents as requested in writing by the auditor, that~~
 273 ~~failure shall be clearly noted by the independent contract~~
 274 ~~auditor in the report of audit.~~

275 ~~(g) The committee shall establish procedures for the~~

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276 ~~selection of independent contract auditors desiring to enter~~
 277 ~~into audit contracts pursuant to this subsection. Such~~
 278 ~~procedures shall include, but not be limited to, a rating system~~
 279 ~~that takes into account pertinent information, including the~~
 280 ~~independent contract auditor's fee proposals for participating~~
 281 ~~in the process. All contracts under this subsection between an~~
 282 ~~independent contract auditor and the Speaker of the House of~~
 283 ~~Representatives and the President of the Senate shall be~~
 284 ~~terminable by either party at any time upon written notice to~~
 285 ~~the other, and such contracts may contain such other terms and~~
 286 ~~conditions as the Speaker of the House of Representatives and~~
 287 ~~the President of the Senate deem appropriate under the~~
 288 ~~circumstances.~~

289 ~~(h) The committee shall adopt guidelines that govern~~
 290 ~~random audits and field investigations conducted pursuant to~~
 291 ~~this subsection. The guidelines shall ensure that similarly~~
 292 ~~situated compensation reports are audited in a uniform manner.~~
 293 ~~The guidelines shall also be formulated to encourage compliance~~
 294 ~~and detect violations of the legislative and executive lobbying~~
 295 ~~compensation reporting requirements in ss. 11.045 and 112.3215~~
 296 ~~and to ensure that each audit is conducted with maximum~~
 297 ~~efficiency in a cost-effective manner. In adopting the~~
 298 ~~guidelines, the committee shall consider relevant guidelines and~~
 299 ~~standards of the American Institute of Certified Public~~
 300 ~~Accountants to the extent that such guidelines and standards are~~

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301 ~~applicable and consistent with the purposes set forth in this~~
 302 ~~subsection.~~

303 ~~(i) All audit reports of legislative lobbying firms shall,~~
 304 ~~upon completion by an independent contract auditor, be delivered~~
 305 ~~to the President of the Senate and the Speaker of the House of~~
 306 ~~Representatives for their respective review and handling. All~~
 307 ~~audit reports of executive branch lobbyists, upon completion by~~
 308 ~~an independent contract auditor, shall be delivered by the~~
 309 ~~auditor to the Commission on Ethics.~~

310 **Section 4. Section 11.405, Florida Statutes, is created to**
 311 **read:**

312 11.405 The Florida Accountability Office.—

313 (1) There is created within the Legislature the Florida
 314 Accountability Office to conduct audits, reviews, examinations,
 315 investigations, evaluations, and assessments; to make
 316 recommendations regarding the operations, performance, and
 317 fiscal management of governmental entities of this state; and to
 318 report findings to the Legislature and public agencies regarding
 319 fiscal transparency, quality, effectiveness, efficiency, and
 320 possible improvements to the programs, operations, and
 321 performance of such governmental entities. The office shall be
 322 administered as directed by the Legislature or by agreement of
 323 the presiding officers of the Legislature.

324 (2) The office shall consist of the following units:

325 (a) The Division of the Auditor General, headed by the

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326 Auditor General, the auditor required by s. 2, Art. III of the
 327 State Constitution, appointed by both houses of the Legislature
 328 acting concurrently, unless otherwise provided by joint rule of
 329 the Legislature. The Auditor General's term shall end on
 330 November 30 after the first general election following
 331 appointment. If a vacancy occurs while the Legislature is not in
 332 session, the President of the Senate and the Speaker of the
 333 House of Representatives may appoint a temporary successor by
 334 agreement. The Auditor General shall serve at the pleasure of
 335 the Legislature. The Division of the Auditor General shall be
 336 primarily responsible for financial audits required or
 337 authorized by law. The Auditor General shall be primarily
 338 responsible for audits authorized by s. 11.45(3) (a), (c), (g),
 339 (i), (m), (r), and (v).

340 (b) The General Accountability Division, headed by the
 341 General Accountability Officer appointed as provided by joint
 342 rule of the Legislature or the agreement of the presiding
 343 officers of the Legislature, unless otherwise organized as
 344 provided by joint rule of the Legislature or the agreement of
 345 the presiding officers of the Legislature. The General
 346 Accountability Division shall be primarily responsible for
 347 operational audits and compliance audits required or authorized
 348 by law. The General Accountability Division shall be primarily
 349 responsible for audits authorized by s. 11.45(3), except s.
 350 11.45(3) (a), (c), (g), (i), (m), (r), and (v).

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351 (c) The Office of Program Policy Analysis and Government
 352 Accountability organized as provided by joint rule of the
 353 Legislature or the agreement of the presiding officers of the
 354 Legislature. The Office of Program Policy Analysis and
 355 Government Accountability shall be primarily responsible for
 356 performance audits required or authorized by law.

357 (d) The Public Integrity Division organized as provided by
 358 joint rule of the Legislature or the agreement of the presiding
 359 officers of the Legislature.

360 (3) The units shall cooperate and assist one another, as
 361 resources allow, in order to make the most efficient use of the
 362 resources of the Florida Accountability Office. A unit may not
 363 conduct an audit or investigation that may interfere or disrupt
 364 the audit or investigation conducted by another unit, but
 365 cooperative audits and investigations may be conducted. A unit
 366 shall assist, as requested by another unit, when its expertise
 367 may be effectively utilized.

368 (4) Any unit may conduct any audit or investigation
 369 authorized by s. 11.45, except a financial audit expressly
 370 assigned to the Division of the Auditor General.

371 (5) When an audit or investigation is required or
 372 authorized by general law, the unit conducting such audit or
 373 investigation shall consult with the President of the Senate and
 374 the Speaker of the House of Representatives for guidance
 375 regarding the objectives and scope of such audit or

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376 investigation.

377 (6) (a) The headquarters of the Florida Accountability
 378 Office shall be at the state capital, but to facilitate auditing
 379 and to eliminate unnecessary traveling, the Legislature may
 380 establish field offices located outside the state capital.

381 (b) The Legislature shall provide sufficient
 382 administrative support to assist the Florida Accountability
 383 Office in all spending decisions within the annual operating
 384 budget approved by the President of the Senate and the Speaker
 385 of the House of Representatives. The Florida Accountability
 386 Office shall employ qualified persons necessary for the
 387 efficient operation of the various units. The duties and
 388 compensation of such employees and a uniform personnel, job
 389 classification, and pay plan for such employees shall be
 390 established with the approval of the President of the Senate and
 391 the Speaker of the House of Representatives, or their joint
 392 designees in the units of the Florida Accountability Office.

393 (7) An officer or a salaried employee of the Florida
 394 Accountability Office may not serve as the representative of any
 395 political party or on any executive committee or other governing
 396 body thereof; serve as an executive, officer, or employee of any
 397 political party committee, organization, or association; or be
 398 engaged on behalf of any candidate for public office in the
 399 solicitation of votes or other activities on behalf of such
 400 candidacy. The Auditor General or any employee of the Florida

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401 Accountability Office may not become a candidate for election to
 402 public office unless she or he first resigns from office or
 403 employment.

404 **Section 5. Section 11.406, Florida Statutes, is created to**
 405 **read:**

406 11.406 Public Integrity Division investigations.—

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

408 (a) "Appropriations project" means a specific
 409 appropriation or proviso defined as an appropriations project by
 410 legislative rule in the year in which it was enacted.

411 (b) "Investigation" means an audit, a review, or any other
 412 examination or inquiry into the factual basis of any complaint
 413 investigated pursuant to subsection (2).

414 (2) The Public Integrity Division of the Florida
 415 Accountability Office may receive and investigate a complaint
 416 alleging fraud, waste, abuse, mismanagement, or misconduct in
 417 connection with the expenditure of public funds.

418 (3) A complaint may be submitted to the Florida
 419 Accountability Office by:

420 (a) The President of the Senate.

421 (b) The Speaker of the House of Representatives.

422 (c) The chair of an appropriations committee of the Senate
 423 or the House of Representatives.

424 (d) Any unit of the Florida Accountability Office.

425 (e) Any inspector general.

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426 (f) A whistle-blower reporting under s. 112.3187.

427 (4)(a) Upon receipt of a complaint, the Public Integrity
 428 Division shall determine whether the complaint is supported by
 429 sufficient information indicating a reasonable probability of
 430 fraud, waste, abuse, mismanagement, or misconduct. If the Public
 431 Integrity Division determines that the complaint is not
 432 supported by sufficient information, the Public Integrity
 433 Division shall notify the complainant in writing and the
 434 complaint shall be closed.

435 (b) If the complaint is supported by sufficient
 436 information and the Public Integrity Division determines that an
 437 investigation into the matter has already been initiated by
 438 another agency with investigative jurisdiction, the Public
 439 Integrity Division may close the complaint, in which case the
 440 Public Integrity Division must notify the complainant without
 441 disclosing any confidential or exempt information relating to
 442 such investigation.

443 (c) If the complaint is supported by sufficient
 444 information and an investigation into the matter has not already
 445 been initiated as described in paragraph (b), the Public
 446 Integrity Division shall, within available resources and after
 447 consultation with the other units of the Florida Accountability
 448 Office, conduct an investigation and issue a report of the
 449 investigative findings to the complainant and the President of
 450 the Senate and the Speaker of the House of Representatives. The

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451 Public Integrity Division may refer the matter to another unit
 452 of the Florida Accountability Office, any appropriate law
 453 enforcement agency, the Commission on Ethics, the Chief
 454 Financial Officer, the Office of the Chief Inspector General, or
 455 the applicable agency inspector general.

456 (5) (a) The Public Integrity Division may, when pertinent
 457 to an investigation of a complaint, inspect and investigate the
 458 books, records, papers, documents, data, operation, and physical
 459 location of any public agency in this state, including any
 460 confidential information; the public records of any entity that
 461 has received direct appropriations or a direct payment of fees
 462 or taxes collected by this state; and the records of any entity
 463 that has contracted with this state whose records are subject to
 464 public access pursuant to s. 287.058(1)(c). The Public Integrity
 465 Division may agree to retain the confidentiality of confidential
 466 information pursuant to s. 11.0431(2)(a).

467 (b) Upon request of the Public Integrity Division, the
 468 Legislative Auditing Committee or any other committee of the
 469 Legislature may issue subpoenas and subpoenas duces tecum, as
 470 provided in s. 11.143, to compel testimony or the production of
 471 evidence when deemed necessary to an investigation authorized by
 472 this section. Consistent with s. 11.143, such subpoenas and
 473 subpoenas duces tecum may be issued as provided by applicable
 474 legislative rules or, in the absence of applicable legislative
 475 rules, by the chair of the Legislative Auditing Committee with

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476 the approval of the Legislative Auditing Committee and the
 477 President of the Senate and the Speaker of the House of
 478 Representatives, or with the approval of the President of the
 479 Senate or the Speaker of the House of Representatives if such
 480 officer alone designated the Legislative Auditing Committee.

481 (c) If the Legislature is not in session when a witness
 482 fails or refuses to comply with a lawful subpoena or subpoena
 483 duces tecum issued pursuant to this subsection, the subpoena or
 484 subpoena duces tecum may be enforced as provided in s. 11.143,
 485 and the Public Integrity Division, on behalf of the committee
 486 issuing the subpoena or subpoena duces tecum, may file a
 487 complaint before any circuit court of this state to enforce the
 488 subpoena or subpoena duces tecum. Upon the filing of such
 489 complaint, the court shall take jurisdiction of the witness and
 490 the subject matter of the complaint and shall direct the witness
 491 to respond to all lawful questions and to produce all lawfully
 492 demanding documentary evidence in the possession of the witness.
 493 The failure of a witness to comply with such order constitutes a
 494 direct and criminal contempt of court and the court shall punish
 495 the witness accordingly.

496 (d) When the Legislature is in session, upon request of
 497 the Public Integrity Division directed to the committee issuing
 498 the subpoena or subpoena duces tecum, either house of the
 499 Legislature may seek compliance with the subpoena or subpoena
 500 duces tecum in accordance with the State Constitution, general

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501 law, the joint rules of the Legislature, or the rules of the
 502 house of the Legislature whose committee issued the subpoena or
 503 subpoena duces tecum.

504 (6) The Public Integrity Division shall receive copies of
 505 all reports required by ss. 14.32, 17.325, and 20.055.

506 (7) (a) Beginning with the 2027-2028 fiscal year, the
 507 Auditor General and the Public Integrity Division, within
 508 available resources, shall randomly select and review
 509 appropriations projects appropriated in the prior fiscal year
 510 and, if appropriate, investigate and recommend an audit of such
 511 projects. The review, investigation, or audit may be delayed on
 512 a selected project until a subsequent year if the timeline of
 513 the project warrants such delay. Each review, investigation, or
 514 audit must include, but is not limited to, an evaluation of the
 515 appropriations project recipient's efficient and effective
 516 administration of the project. When an audit is recommended by
 517 the Public Integrity Division under this subsection, the Auditor
 518 General shall determine whether the audit is appropriate. All
 519 such determinations shall be reported to the Joint Legislative
 520 Auditing Committee.

521 (b) Beginning with the 2027-2028 fiscal year, the Auditor
 522 General and the Public Integrity Division, within available
 523 resources, may select and review, investigate, or audit the
 524 financial activities of any political subdivision, special
 525 district, public authority, public hospital, state or local

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526 council or commission, unit of local government, or public
 527 education entity in this state, as well as any authority,
 528 council, commission, direct-support organization, institution,
 529 foundation, or similar entity created by law or ordinance to
 530 pursue a public purpose, entitled by law or ordinance to any
 531 distribution of tax or fee revenues, or organized for the sole
 532 purpose of supporting one of the public entities listed in this
 533 paragraph.

534 **Section 6. Section 11.407, Florida Statutes, is created to**
 535 **read:**

536 11.407 General Accountability Division audits.—
 537 Beginning on January 1, 2027, the General Accountability
 538 Division of the Florida Accountability Office shall conduct all
 539 operational audits and compliance audits required by law,
 540 including those previously assigned to the Auditor General or
 541 the Office of Program Policy Analysis and Government
 542 Accountability. The division may assist other units of the
 543 Florida Accountability Office in conducting any audit or
 544 investigation and conduct other audits authorized by law after
 545 consultation with other units of the Florida Accountability
 546 Office or as requested by the President of the Senate or the
 547 Speaker of the House of Representatives.

548 **Section 7. Section 11.42, Florida Statutes, is amended to**
 549 **read:**

550 11.42 The Auditor General.—

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551 ~~(1) The Auditor General appointed in this section is the~~
 552 ~~auditor that is required by s. 2, Art. III of the State~~
 553 ~~Constitution.~~

554 (1)(2) The Auditor General shall be appointed to office to
 555 serve at the pleasure of the Legislature, by a majority vote of
 556 the members of the Legislative Auditing Committee, subject to
 557 confirmation by both houses of the Legislature. At the time of
 558 her or his appointment, the Auditor General shall have been
 559 certified under the Public Accountancy Law in this state for a
 560 period of at least 10 years and shall have had not less than 10
 561 years' experience in an accounting or auditing related field.
 562 Vacancies in the office shall be filled in the same manner as
 563 the original appointment.

564 ~~(3)(a)~~ To carry out her or his duties the Auditor General
 565 shall make all spending decisions within the annual operating
 566 budget approved by the President of the Senate and the Speaker
 567 of the House of Representatives. The Auditor General shall
 568 employ qualified persons necessary for the efficient operation
 569 of the Auditor General's office and shall fix their duties and
 570 compensation and, with the approval of the President of the
 571 Senate and the Speaker of the House of Representatives, shall
 572 adopt and administer a uniform personnel, job classification,
 573 and pay plan for such employees.

574 (2)(b) No person shall be employed as a financial auditor
 575 who does not possess the qualifications to take the examination

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576 for a certificate as certified public accountant under the laws
 577 of this state, and no person shall be employed or retained as
 578 legal adviser, on either a full-time or a part-time basis, who
 579 is not a member of The Florida Bar.

580 (3)(4) The Auditor General, before entering upon the
 581 duties of the office, shall take and subscribe the oath of
 582 office required of state officers by the State Constitution.

583 ~~(5)~~ The appointment of the Auditor General may be
 584 terminated at any time by a majority vote of both houses of the
 585 Legislature.

586 ~~(6)(a)~~ The headquarters of the Auditor General shall be at
 587 the state capital, but to facilitate auditing and to eliminate
 588 unnecessary traveling the Auditor General may establish field
 589 offices located outside the state capital. The Auditor General
 590 shall be provided with adequate quarters to carry out the
 591 position's functions in the state capital and in other areas of
 592 the state.

593 ~~(b)~~ All payrolls and vouchers for the operations of the
 594 Auditor General's office shall be submitted to the Chief
 595 Financial Officer and, if found to be correct, payments shall be
 596 issued therefor.

597 (4)(7) The Auditor General, in consultation with the units
 598 of the Florida Accountability Office, may make and enforce
 599 reasonable rules and regulations necessary to facilitate audits
 600 which the Florida Accountability Office ~~she or he~~ is authorized

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601 to perform. The Auditor General shall consult with other units
 602 of the Florida Accountability Office and incorporate into such
 603 rules the suggestions of each unit that may lead to more timely
 604 and effective audits, examinations, and investigations.

605 ~~(8) No officer or salaried employee of the Office of the~~
 606 ~~Auditor General shall serve as the representative of any~~
 607 ~~political party or on any executive committee or other governing~~
 608 ~~body thereof; serve as an executive, officer, or employee of any~~
 609 ~~political party committee, organization, or association; or be~~
 610 ~~engaged on behalf of any candidate for public office in the~~
 611 ~~solicitation of votes or other activities in behalf of such~~
 612 ~~candidacy. Neither the Auditor General nor any employee of the~~
 613 ~~Auditor General may become a candidate for election to public~~
 614 ~~office unless she or he first resigns from office or employment.~~
 615 ~~No officer or salaried employee of the Auditor General shall~~
 616 ~~actively engage in any other business or profession or be~~
 617 ~~otherwise employed without the prior written permission of the~~
 618 ~~Auditor General.~~

619 ~~(9) Sections 11.25(1) and 11.26 shall not apply to the~~
 620 ~~Auditor General.~~

621 **Section 8. Section 11.45, Florida Statutes, is amended to**
 622 **read:**

623 11.45 Definitions; duties; authorities; reports; rules.—

624 (1) DEFINITIONS.—As used in ss. 11.40-11.51, the term:

625 (a) "Abuse" means behavior that is deficient or improper

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626 when compared with behavior that a prudent person would consider
 627 a reasonable and necessary operational practice given the facts
 628 and circumstances. The term includes the misuse of authority or
 629 position for personal gain.

630 (b) "Audit" means a financial audit, operational audit, or
 631 performance audit.

632 (c) "Compliance audit" means an operational audit or a
 633 performance audit directed at the systems and processes,
 634 governance, legal compliance, regulations, and contracts of an
 635 agency, a program, or an activity, as well as any other
 636 objectives specified by the entity requesting or directing the
 637 examination.

638 ~~(d)-(e)~~ "County agency" means a board of county
 639 commissioners or other legislative and governing body of a
 640 county, however styled, including that of a consolidated or
 641 metropolitan government, a clerk of the circuit court, a
 642 separate or ex officio clerk of the county court, a sheriff, a
 643 property appraiser, a tax collector, a supervisor of elections,
 644 or any other officer in whom any portion of the fiscal duties of
 645 a body or officer expressly stated in this paragraph are
 646 separately placed by law.

647 ~~(e)-(d)~~ "Financial audit" means an examination of financial
 648 statements in order to express an opinion on the fairness with
 649 which they are presented in conformity with generally accepted
 650 accounting principles and an examination to determine whether

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651 operations are properly conducted in accordance with legal and
 652 regulatory requirements. Financial audits must be conducted in
 653 accordance with auditing standards generally accepted in the
 654 United States and government auditing standards. When
 655 applicable, the scope of financial audits must encompass the
 656 additional activities necessary to establish compliance with the
 657 Single Audit Act Amendments of 1996, 31 U.S.C. ss. 7501-7507,
 658 and other applicable federal law.

659 (f)~~(e)~~ "Fraud" means obtaining something of value through
 660 willful misrepresentation, including, but not limited to,
 661 intentional misstatements or intentional omissions of amounts or
 662 disclosures in financial statements to deceive users of
 663 financial statements, theft of an entity's assets, bribery, or
 664 the use of one's position for personal enrichment through the
 665 deliberate misuse or misapplication of an organization's
 666 resources.

667 (g)~~(f)~~ "Governmental entity" means a state agency, a
 668 county agency, or any other entity, however styled, that
 669 independently exercises any type of state or local governmental
 670 function.

671 (h)~~(g)~~ "Local governmental entity" means a county agency,
 672 municipality, tourist development council, county tourism
 673 promotion agency, or special district as defined in s. 189.012.
 674 The term does not include any housing authority established
 675 under chapter 421.

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676 (i)~~(h)~~ "Management letter" means a statement of the
 677 auditor's comments and recommendations.

678 (j)~~(i)~~ "Operational audit" means an audit whose purpose is
 679 to evaluate management's performance in establishing and
 680 maintaining internal controls, including controls designed to
 681 prevent and detect fraud, waste, and abuse, and in administering
 682 assigned responsibilities in accordance with applicable laws,
 683 administrative rules, contracts, grant agreements, and other
 684 guidelines. Operational audits must be conducted in accordance
 685 with government auditing standards or include a written
 686 explanation for any departures from such standards in the audit
 687 report. Such audits examine internal controls that are designed
 688 and placed in operation to promote and encourage the achievement
 689 of management's control objectives in the categories of
 690 compliance, economic and efficient operations, reliability of
 691 financial records and reports, and safeguarding of assets, and
 692 identify weaknesses in those internal controls.

693 (k)~~(j)~~ "Performance audit" means an examination of a
 694 program, activity, or function of a governmental entity,
 695 conducted in accordance with applicable government auditing
 696 standards or auditing and evaluation standards of other
 697 appropriate authoritative bodies. The term includes an
 698 examination of issues related to:
 699 1. Economy, efficiency, or effectiveness of the program.
 700 2. Structure or design of the program to accomplish its

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701 goals and objectives.

702 3. Adequacy of the program to meet the needs identified by

703 the Legislature or governing body.

704 4. Alternative methods of providing program services or

705 products.

706 5. Goals, objectives, and performance measures used by the

707 agency to monitor and report program accomplishments.

708 6. The accuracy or adequacy of public documents, reports,

709 or requests prepared under the program by state agencies.

710 7. Compliance of the program with appropriate policies,

711 rules, or laws.

712 8. Any other issues related to governmental entities as

713 directed by the Legislative Auditing Committee.

714 (l) ~~(k)~~ "Political subdivision" means a separate agency or

715 unit of local government created or established by law and

716 includes, but is not limited to, the following and the officers

717 thereof: authority, board, branch, bureau, city, commission,

718 consolidated government, county, department, district,

719 institution, metropolitan government, municipality, office,

720 officer, public corporation, town, or village.

721 (m) ~~(l)~~ "State agency" means a separate agency or unit of

722 state government created or established by law and includes, but

723 is not limited to, the following and the officers thereof:

724 authority, board, branch, bureau, commission, department,

725 division, institution, office, officer, or public corporation,

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726 as the case may be, except any such agency or unit within the

727 legislative branch of state government other than the Florida

728 Public Service Commission.

729 (n) ~~(m)~~ "Waste" means the act of using or expending

730 resources unreasonably, carelessly, extravagantly, or for no

731 useful purpose.

732 (2) DUTIES.—The Florida Accountability Office ~~Auditor~~

733 ~~General~~ shall:

734 (a) Conduct audits of records and perform related duties

735 as prescribed by law, concurrent resolution of the Legislature,

736 or as directed by the Legislative Auditing Committee.

737 (b) Annually conduct a financial audit of state

738 government.

739 (c) Annually conduct financial audits of all state

740 universities and Florida College System institutions and verify

741 the accuracy of the amounts certified by each state university

742 and Florida College System institution chief financial officer

743 pursuant to ss. 1011.45 and 1011.84.

744 (d) Annually conduct financial audits of the accounts and

745 records of all district school boards in counties with

746 populations of less than 150,000, according to the most recent

747 federal decennial statewide census; and the Florida School for

748 the Deaf and the Blind.

749 (e) Once every 3 years, conduct financial audits of the

750 accounts and records of all district school boards in counties

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751 that have populations of 150,000 or more, according to the most
752 recent federal decennial statewide census.

753 (f) At least every 3 years, conduct operational audits of
754 the accounts and records of state agencies, state universities,
755 state colleges, district school boards, the Florida Clerks of
756 Court Operations Corporation, water management districts, and
757 the Florida School for the Deaf and the Blind.

758 (g) At least every 3 years, conduct a performance audit of
759 the local government financial reporting system, which, for the
760 purpose of this chapter, means any statutory provision related
761 to local government financial reporting. The purpose of such an
762 audit is to determine the accuracy, efficiency, and
763 effectiveness of the reporting system in achieving its goals and
764 to make recommendations to the local governments, the Governor,
765 and the Legislature as to how the reporting system can be
766 improved and how program costs can be reduced. The Office of
767 Program Policy Analysis and Government Accountability ~~Auditor~~
768 ~~General~~ shall determine the scope of the audits. The local
769 government financial reporting system should provide for the
770 timely, accurate, uniform, and cost-effective accumulation of
771 financial and other information that can be used by the members
772 of the Legislature and other appropriate officials to accomplish
773 the following goals:

- 774 1. Enhance citizen participation in local government;
775 2. Improve the financial condition of local governments;

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776 3. Provide essential government services in an efficient
777 and effective manner; and

778 4. Improve decisionmaking on the part of the Legislature,
779 state agencies, and local government officials on matters
780 relating to local government.

781 (h) At least every 3 years, conduct a performance audit of
782 the Department of Revenue's administration of the ad valorem tax
783 laws as described in s. 195.096. The audit report shall report
784 on the activities of the ad valorem tax program of the
785 Department of Revenue related to the ad valorem tax rolls. The
786 Office of Program Policy Analysis and Government Accountability
787 ~~Auditor General~~ shall include, for at least four counties
788 reviewed, findings as to the accuracy of assessment procedures,
789 projections, and computations made by the department, using the
790 same generally accepted appraisal standards and procedures to
791 which the department and the property appraisers are required to
792 adhere. However, the report may not include any findings or
793 statistics related to any ad valorem tax roll that is in
794 litigation between the state and county officials at the time
795 the report is issued.

796 (i) Once every 3 years, review a sample of internal audit
797 reports at each state agency, as defined in s. 20.055(1), to
798 determine compliance with current Standards for the Professional
799 Practice of Internal Auditing or, if appropriate, government
800 auditing standards.

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801 (j) Conduct audits of local governmental entities when
 802 determined to be necessary by any unit of the Florida
 803 Accountability Office ~~the Auditor General~~, when directed by the
 804 Legislative Auditing Committee, or when otherwise required by
 805 law. No later than 18 months after the release of the audit
 806 report, the applicable unit ~~Auditor General~~ shall perform such
 807 appropriate followup procedures as he or she deems necessary to
 808 determine the audited entity's progress in addressing the
 809 findings and recommendations contained within the ~~Auditor~~
 810 ~~General's~~ previous report. The applicable unit ~~Auditor General~~
 811 shall notify each member of the audited entity's governing body
 812 and the Legislative Auditing Committee of the results of its ~~his~~
 813 ~~or her~~ determination. For purposes of this paragraph, local
 814 governmental entities do not include water management districts.

815 (k) Contact each district school board, as defined in s.
 816 1003.01(7), with the findings and recommendations contained
 817 within the ~~Auditor General's~~ previous operational audit report.
 818 The district school board shall provide the Florida
 819 Accountability Office ~~Auditor General~~ with evidence of the
 820 initiation of corrective action within 45 days after the date it
 821 is requested by the Florida Accountability Office ~~Auditor~~
 822 ~~General~~ and evidence of completion of corrective action within
 823 180 days after the date it is requested by the Florida
 824 Accountability Office ~~Auditor General~~. If the district school
 825 board fails to provide such evidence ~~comply with the Auditor~~

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826 ~~General's request~~ or is unable to take corrective action within
 827 the required timeframe, the Florida Accountability Office
 828 ~~Auditor General~~ shall notify the Legislative Auditing Committee.

829 (l) At least once every 3 years, conduct operational
 830 audits of the accounts and records of eligible nonprofit
 831 scholarship-funding organizations receiving eligible
 832 contributions under s. 1002.395, including any contracts for
 833 services with related entities, to determine compliance with the
 834 provisions of that section. Such audits shall include, but not
 835 be limited to, a determination of the eligible nonprofit
 836 scholarship-funding organization's compliance with s.
 837 1002.395(6)(l). The Florida Accountability Office ~~Auditor~~
 838 ~~General~~ shall provide its report on the results of the audits to
 839 the Governor, the President of the Senate, the Speaker of the
 840 House of Representatives, the Chief Financial Officer, and the
 841 Legislative Auditing Committee, within 30 days after ~~of~~
 842 completion of the audit.

843 (m) At least once every 7 years, conduct an operational
 844 and financial audit of each large-hub commercial service
 845 airport. Each operational audit shall include, at a minimum, an
 846 assessment of compliance with s. 332.0075, including compliance
 847 with chapter 287, and compliance with the public records and
 848 public meetings laws of this state. For purposes of this
 849 paragraph, the term "large-hub commercial service airport" means
 850 a publicly owned airport that has at least 1 percent of the

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851 annual passenger boardings in the United States as reported by
852 the Federal Aviation Administration.

853 (n) At least once every 3 years, conduct an operational
854 audit of the Florida Birth-Related Neurological Injury
855 Compensation Association. Each operational audit shall include,
856 at a minimum, an assessment of compliance with ss. 766.303-
857 766.315 and compliance with the public records and public
858 meetings laws of this state. The first operational audit must be
859 completed by August 15, 2021.

860
861 Each unit of the Florida Accountability Office Auditor General
862 shall perform its his or her duties independently from an
863 audited entity, exercising objective and impartial judgment, but
864 under the general policies established by the Legislative
865 Auditing Committee or the Legislature. This subsection does not
866 limit the Florida Accountability Office's Auditor General's
867 discretionary authority to conduct other audits or engagements
868 of governmental entities as authorized in subsection (3).

869 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS. Any unit
870 of the Florida Accountability Office Auditor General may,
871 pursuant to its his or her own discretion authority, or at the
872 direction of the Legislative Auditing Committee, the President
873 of the Senate, or the Speaker of the House of Representatives,
874 conduct audits or other engagements as determined appropriate by
875 the unit Auditor General of:

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876 (a) The accounts and records of any governmental entity
877 created or established by law.

878 (b) The information technology programs, activities,
879 functions, or systems of any governmental entity created or
880 established by law.

881 (c) The accounts and records of any charter school created
882 or established by law.

883 (d) The accounts and records of any direct-support
884 organization or citizen support organization created or
885 established by law. The Florida Accountability Office Auditor
886 General is authorized to require and receive any records from
887 the direct-support organization or citizen support organization,
888 or from its independent auditor.

889 (e) The public records associated with any appropriation
890 made by the Legislature to a nongovernmental agency,
891 corporation, or person. All records of a nongovernmental agency,
892 corporation, or person with respect to the receipt and
893 expenditure of such an appropriation shall be public records and
894 shall be treated in the same manner as other public records are
895 under general law.

896 (f) State financial assistance provided to any nonstate
897 entity as defined by s. 215.97.

898 (g) The Tobacco Settlement Financing Corporation created
899 pursuant to s. 215.56005.

900 (h) Any purchases of federal surplus lands for use as

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901 sites for correctional facilities as described in s. 253.037.
 902 (i) The Florida Development Finance Corporation or the
 903 capital development board or the programs or entities created by
 904 the board. The audit or report may not reveal the identity of
 905 any person who has anonymously made a donation to the board
 906 pursuant to this paragraph. The identity of a donor or
 907 prospective donor to the board who desires to remain anonymous
 908 and all information identifying such donor or prospective donor
 909 are confidential and exempt from ~~the provisions of~~ s. 119.07(1)
 910 and s. 24(a), Art. I of the State Constitution. Such anonymity
 911 shall be maintained in the auditor's report.
 912 (j) The records pertaining to the use of funds from
 913 voluntary contributions on a motor vehicle registration
 914 application or on a driver license application authorized
 915 pursuant to ss. 320.023 and 322.081.
 916 (k) The records pertaining to the use of funds from the
 917 sale of specialty license plates described in chapter 320.
 918 (l) The acquisitions and divestitures related to the
 919 Florida Communities Trust Program created pursuant to chapter
 920 380.
 921 (m) The Florida Water Pollution Control Financing
 922 Corporation created pursuant to s. 403.1837.
 923 (n) The school readiness program, including the early
 924 learning coalitions under part VI of chapter 1002.
 925 (o) CareerSource Florida, Inc., the state board as defined

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926 in s. 445.002, or the programs or entities created by the state
 927 board under s. 445.004.
 928 (p) The corporation defined in s. 455.32 that is under
 929 contract with the Department of Business and Professional
 930 Regulation to provide administrative, investigative,
 931 examination, licensing, and prosecutorial support services in
 932 accordance with ~~the provisions of~~ s. 455.32 and the practice act
 933 of the relevant profession.
 934 (q) The Florida Engineers Management Corporation created
 935 pursuant to chapter 471.
 936 (r) The books and records of any permitholder that
 937 conducts race meetings or jai alai exhibitions under chapter
 938 550.
 939 (s) The corporation defined in part II of chapter 946,
 940 known as the Prison Rehabilitative Industries and Diversified
 941 Enterprises, Inc., or PRIDE Enterprises.
 942 (t) The Florida Virtual School.
 943 (u) Virtual education providers receiving state funds or
 944 funds from local ad valorem taxes.
 945 (v) The accounts and records of a nonprofit scholarship-
 946 funding organization participating in a state sponsored
 947 scholarship program authorized by chapter 1002.
 948 (w) The Florida Tourism Industry Marketing Corporation.
 949 (x) Tourist development councils and county tourism
 950 promotion agencies.

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951 (4) SCHEDULING AND STAFFING OF AUDITS.—

952 (a) Each financial audit required or authorized by this
 953 section, when practicable, shall be made and completed within
 954 not more than 9 months following the end of each audited fiscal
 955 year of the state agency or political subdivision, or at such
 956 lesser time which may be provided by law or concurrent
 957 resolution or directed by the Legislative Auditing Committee.
 958 When the Florida Accountability Office Auditor General
 959 determines that conducting any audit or engagement otherwise
 960 required by law would not be possible due to workload or would
 961 not be an efficient or effective use of its his or her resources
 962 based on an assessment of risk, then, in its his or her
 963 discretion, the Florida Accountability Office Auditor General
 964 may temporarily or indefinitely postpone such audits or other
 965 engagements for such period or any portion thereof, unless
 966 otherwise directed by the committee.

967 (b) The Florida Accountability Office Auditor General may,
 968 when in his or her judgment it is necessary, designate and
 969 direct any auditor employed by the Florida Accountability Office
 970 Auditor General to audit any accounts or records within the
 971 authority of the Florida Accountability Office Auditor General
 972 to audit. The auditor shall report his or her findings for
 973 review by the Florida Accountability Office Auditor General,
 974 which who shall prepare the audit report.

975 (c) The audit report when final shall be a public record.

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976 The audit workpapers and notes are not a public record; however,
 977 those workpapers necessary to support the computations in the
 978 final audit report may be made available by a majority vote of
 979 the Legislative Auditing Committee after a public hearing
 980 showing proper cause. The audit workpapers and notes shall be
 981 retained by the Florida Accountability Office Auditor General
 982 until no longer useful in its his or her proper functions, after
 983 which time they may be destroyed.

984 (d) At the conclusion of the audit, examination, or
 985 investigation, the Florida Accountability Office Auditor General
 986 or the designated representative of the Florida Accountability
 987 Office Auditor General's designated representative shall discuss
 988 the audit, examination, or investigation with the official whose
 989 office is subject to audit and submit to that official a list of
 990 the Florida Accountability Office's Auditor General's findings
 991 which may be included in the audit report. If the official is
 992 not available for receipt of the list of audit findings, then
 993 delivery is presumed to be made when it is delivered to his or
 994 her office. The official shall submit to the Florida
 995 Accountability Office Auditor General or the designated
 996 representative, within 30 days after the receipt of the list of
 997 findings, or within 15 days if specified in writing with the
 998 delivery of the findings, his or her written statement of
 999 explanation or rebuttal concerning all of the findings,
 1000 including corrective action to be taken to preclude a recurrence

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1001 of all findings.

1002 (e) The Florida Accountability Office ~~Auditor General~~
 1003 shall provide the successor independent certified public
 1004 accountant of a district school board with access to the prior
 1005 year's working papers in accordance with the Statements on
 1006 Auditing Standards, including documentation of planning,
 1007 internal control, audit results, and other matters of continuing
 1008 accounting and auditing significance, such as the working paper
 1009 analysis of balance sheet accounts and those relating to
 1010 contingencies.

1011 (5) PETITION FOR AN AUDIT BY THE FLORIDA ACCOUNTABILITY
 1012 OFFICE ~~AUDITOR GENERAL~~.—

1013 (a) The Legislative Auditing Committee shall direct the
 1014 Florida Accountability Office ~~Auditor General~~ to make an audit
 1015 of any municipality whenever petitioned to do so by at least 20
 1016 percent of the registered electors in the last general election
 1017 of that municipality pursuant to this subsection. The supervisor
 1018 of elections of the county in which the municipality is located
 1019 shall certify whether or not the petition contains the
 1020 signatures of at least 20 percent of the registered electors of
 1021 the municipality. After the completion of the audit, the Florida
 1022 Accountability Office ~~Auditor General~~ shall determine whether
 1023 the municipality has the fiscal resources necessary to pay the
 1024 cost of the audit. The municipality shall pay the cost of the
 1025 audit within 90 days after the Florida Accountability Office's

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1026 ~~Auditor General's~~ determination that the municipality has the
 1027 available resources. If the municipality fails to pay the cost
 1028 of the audit, the Department of Revenue shall, upon
 1029 certification of the Florida Accountability Office ~~Auditor~~
 1030 ~~General~~, withhold from that portion of the distribution pursuant
 1031 to s. 212.20(6)(d)5. which is distributable to such
 1032 municipality, a sum sufficient to pay the cost of the audit and
 1033 shall deposit that sum into the General Revenue Fund of the
 1034 state.

1035 (b) At least one registered elector in the most recent
 1036 general election must file a letter of intent with the municipal
 1037 clerk ~~before~~ prior to any petition of the electors of that
 1038 municipality for the purpose of an audit. Each petition must be
 1039 submitted to the supervisor of elections and contain, at a
 1040 minimum:

- 1041 1. The elector's printed name;
- 1042 2. The signature of the elector;
- 1043 3. The elector's residence address;
- 1044 4. The elector's date of birth; and
- 1045 5. The date signed.

1046
 1047 All petitions must be submitted for verification within 1
 1048 calendar year after the audit petition origination by the
 1049 municipal electors.

1050 (6) REQUEST BY A LOCAL GOVERNMENTAL ENTITY FOR AN AUDIT BY

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1051 THE FLORIDA ACCOUNTABILITY OFFICE ~~AUDITOR GENERAL~~. Whenever a
 1052 local governmental entity requests the Florida Accountability
 1053 Office Auditor General to conduct an audit of all or part of its
 1054 operations and the Florida Accountability Office Auditor General
 1055 conducts the audit under its ~~his or her~~ own authority or at the
 1056 direction of the Legislative Auditing Committee, the expenses of
 1057 the audit shall be paid by the local governmental entity. The
 1058 Florida Accountability Office Auditor General shall estimate the
 1059 cost of the audit. Fifty percent of the cost estimate shall be
 1060 paid by the local governmental entity before the initiation of
 1061 the audit and deposited into the General Revenue Fund of the
 1062 state. After the completion of the audit, the Florida
 1063 Accountability Office Auditor General shall notify the local
 1064 governmental entity of the actual cost of the audit. The local
 1065 governmental entity shall remit the remainder of the cost of the
 1066 audit to the Florida Accountability Office Auditor General for
 1067 deposit into the General Revenue Fund of this ~~the~~ state. If the
 1068 local governmental entity fails to comply with paying the
 1069 remaining cost of the audit, the Florida Accountability Office
 1070 Auditor General shall notify the Legislative Auditing Committee.

1071 (7) FLORIDA ACCOUNTABILITY OFFICE AUDITOR GENERAL
 1072 REPORTING REQUIREMENTS.—

1073 (a) The Auditor General shall notify the Legislative
 1074 Auditing Committee of any local governmental entity, district
 1075 school board, charter school, or charter technical career center

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1076 that does not comply with the reporting requirements of s.
 1077 218.39.

1078 (b) The Florida Accountability Office Auditor General, in
 1079 consultation with the Board of Accountancy, shall review all
 1080 audit reports submitted pursuant to s. 218.39. The Auditor
 1081 General shall request any significant items that were omitted in
 1082 violation of a rule adopted by the Auditor General. The items
 1083 must be provided within 45 days after the date of the request.
 1084 If the governmental entity does not comply with the Auditor
 1085 General's request, the Auditor General shall notify the
 1086 Legislative Auditing Committee.

1087 (c) The Auditor General shall provide annually a list of
 1088 those special districts which are not in compliance with s.
 1089 218.39 to the Special District Accountability Program of the
 1090 Department of Commerce.

1091 (d) During the Florida Accountability Office's Auditor
 1092 General's review of audit reports, it ~~he or she~~ shall contact
 1093 those units of local government, as defined in s. 218.403, that
 1094 are not in compliance with s. 218.415 and request evidence of
 1095 corrective action. The unit of local government shall provide
 1096 the Florida Accountability Office Auditor General with evidence
 1097 of corrective action within 45 days after the date it is
 1098 requested by the Florida Accountability Office Auditor General.
 1099 If the unit of local government fails to comply with the Florida
 1100 Accountability Office's Auditor General's request, the Florida

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1101 Accountability Office Auditor General shall notify the
 1102 Legislative Auditing Committee.

1103 (e) The Florida Accountability Office Auditor General
 1104 shall notify the Governor or the Commissioner of Education, as
 1105 appropriate, and the Legislative Auditing Committee of any audit
 1106 report reviewed by the office Auditor General pursuant to
 1107 paragraph (b) which contains a statement that a local
 1108 governmental entity, charter school, charter technical career
 1109 center, or district school board has met one or more of the
 1110 conditions specified in s. 218.503. If the Auditor General
 1111 requests a clarification regarding information included in an
 1112 audit report to determine whether a local governmental entity,
 1113 charter school, charter technical career center, or district
 1114 school board has met one or more of the conditions specified in
 1115 s. 218.503, the requested clarification must be provided within
 1116 45 days after the date of the request. If the local governmental
 1117 entity, charter school, charter technical career center, or
 1118 district school board does not comply with the Florida
 1119 Accountability Office's Auditor General's request, the office
 1120 Auditor General shall notify the Legislative Auditing Committee.
 1121 If, after obtaining the requested clarification, the Florida
 1122 Accountability Office Auditor General determines that the local
 1123 governmental entity, charter school, charter technical career
 1124 center, or district school board has met one or more of the
 1125 conditions specified in s. 218.503, the office ~~he or she~~ shall

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1126 notify the Governor or the Commissioner of Education, as
 1127 appropriate, and the Legislative Auditing Committee.

1128 (f) The Florida Accountability Office Auditor General
 1129 shall annually compile and transmit to the President of the
 1130 Senate, the Speaker of the House of Representatives, and the
 1131 Legislative Auditing Committee a summary of significant findings
 1132 and financial trends identified in audit reports reviewed in
 1133 paragraph (b) or otherwise identified by the Florida
 1134 Accountability Office's Auditor General's review of such audit
 1135 reports and financial information, and identified in audits of
 1136 district school boards conducted by the office Auditor General.
 1137 The Florida Accountability Office Auditor General shall include
 1138 financial information provided pursuant to s. 218.32(1)(e) for
 1139 entities with fiscal years ending on or after June 30, 2003,
 1140 within the office's ~~his or her~~ reports submitted pursuant to
 1141 this paragraph.

1142 (g) If the Florida Accountability Office Auditor General
 1143 discovers significant errors, improper practices, or other
 1144 significant discrepancies in connection with its ~~his or her~~
 1145 audits of a state agency or state officer, the Florida
 1146 Accountability Office Auditor General shall notify the President
 1147 of the Senate, the Speaker of the House of Representatives, and
 1148 the Legislative Auditing Committee. The President of the Senate
 1149 and the Speaker of the House of Representatives shall promptly
 1150 forward a copy of the notification to the chairs of the

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1151 respective legislative committees, which in the judgment of the
 1152 President of the Senate and the Speaker of the House of
 1153 Representatives are substantially concerned with the functions
 1154 of the state agency or state officer involved. Thereafter, and
 1155 in no event later than the 10th day of the next succeeding
 1156 legislative session, the person in charge of the state agency
 1157 involved, or the state officer involved, as the case may be,
 1158 shall explain in writing to the President of the Senate, the
 1159 Speaker of the House of Representatives, and ~~to~~ the Legislative
 1160 Auditing Committee the reasons or justifications for such
 1161 errors, improper practices, or other significant discrepancies
 1162 and the corrective measures, if any, taken by the agency.

1163 (h) The Florida Accountability Office Auditor General
 1164 shall annually compile and transmit to the President of the
 1165 Senate, the Speaker of the House of Representatives, and the
 1166 Legislative Auditing Committee by December 1 of each year a
 1167 report that includes a projected 2-year work plan identifying
 1168 the audit and other accountability activities to be undertaken
 1169 and a list of statutory and fiscal changes recommended by the
 1170 Florida Accountability Office Auditor General. The Florida
 1171 Accountability Office Auditor General may also transmit
 1172 recommendations at other times of the year when the information
 1173 would be timely and useful for the Legislature.

1174 (i) The Florida Accountability Office Auditor General
 1175 shall annually transmit by July 15, to the President of the

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1176 Senate, the Speaker of the House of Representatives, and the
 1177 Department of Financial Services, a list of all school
 1178 districts, charter schools, charter technical career centers,
 1179 Florida College System institutions, state universities, and
 1180 local governmental entities that have failed to comply with the
 1181 transparency requirements as identified in the audit reports
 1182 reviewed pursuant to paragraph (b) and those conducted pursuant
 1183 to subsection (2).

1184 (j) The Florida Accountability Office Auditor General
 1185 shall notify the Legislative Auditing Committee of any financial
 1186 or operational audit report prepared pursuant to this section
 1187 which indicates that a district school board, state university,
 1188 or Florida College System institution has failed to take full
 1189 corrective action in response to a recommendation that was
 1190 included in the two preceding financial reports or any preceding
 1191 operational audit report ~~reports~~.

1192 1. The committee may direct the district school board or
 1193 the governing body of the state university or Florida College
 1194 System institution to provide a written statement to the
 1195 committee explaining why full corrective action has not been
 1196 taken or, if the governing body intends to take full corrective
 1197 action, describing the corrective action to be taken and when it
 1198 will occur.

1199 2. If the committee determines that the written statement
 1200 is not sufficient, the committee may require the chair of the

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1201 district school board or the chair of the governing body of the
 1202 state university or Florida College System institution, or the
 1203 chair's designee, to appear before the committee.

1204 3. If the committee determines that the district school
 1205 board, state university, or Florida College System institution
 1206 has failed to take full corrective action for which there is no
 1207 justifiable reason or has failed to comply with committee
 1208 requests made pursuant to this section, the committee shall
 1209 refer the matter to the State Board of Education or the Board of
 1210 Governors, as appropriate, to proceed in accordance with s.
 1211 1008.32 or s. 1008.322, respectively.

1212 (8) RULES OF THE AUDITOR GENERAL.—The Auditor General, in
 1213 consultation with the Board of Accountancy, shall adopt rules
 1214 for the form and conduct of all financial audits performed by
 1215 independent certified public accountants pursuant to ss.
 1216 215.981, 218.39, 1001.453, 1002.395, 1004.28, and 1004.70. The
 1217 rules for audits of local governmental entities, charter
 1218 schools, charter technical career centers, and district school
 1219 boards must include, but are not limited to, requirements for
 1220 the reporting of information necessary to carry out the purposes
 1221 of the Local Governmental Entity, Charter School, Charter
 1222 Technical Career Center, and District School Board Financial
 1223 Emergencies Act as stated in s. 218.501.

1224 (9) TECHNICAL ADVICE PROVIDED BY THE AUDITOR GENERAL.—The
 1225 Auditor General may provide technical advice to:

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1226 (a) The Department of Education in the development of a
 1227 compliance supplement for the financial audit of a district
 1228 school board conducted by an independent certified public
 1229 accountant.

1230 (b) Governmental entities on their financial and
 1231 accounting systems, procedures, and related matters.

1232 (c) Governmental entities on promoting the building of
 1233 competent and efficient accounting and internal audit
 1234 organizations in their offices.

1235 **Section 9. Section 11.47, Florida Statutes, is amended to**
 1236 **read:**

1237 11.47 Penalties; failure to make a proper audit or
 1238 examination; making a false report; failure to produce documents
 1239 or information.—

1240 (1) All officers whose respective offices the Florida
 1241 Accountability Office ~~Auditor General or the Office of Program~~
 1242 ~~Policy Analysis and Government Accountability~~ is authorized to
 1243 audit or examine shall enter into their public records
 1244 sufficient information for proper audit or examination, and
 1245 shall make the same available to the Florida Accountability
 1246 Office ~~Auditor General~~ or the Office of Program Policy Analysis
 1247 and Government Accountability on demand.

1248 (2) The willful failure or refusal of the Auditor General,
 1249 ~~director of the Office of Program Policy Analysis and Government~~
 1250 ~~Accountability,~~ or any staff employed by the Florida

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1251 ~~Accountability Office Auditor General or the Office of Program~~
 1252 ~~Policy Analysis and Government Accountability~~ to make a proper
 1253 audit or examination in line with its ~~his or her~~ duty, the
 1254 willful making of a false report as to any audit or examination,
 1255 or the willful failure or refusal to report a shortage or
 1256 misappropriation of funds or property shall be cause for removal
 1257 from such office or employment, and the Auditor General, ~~the~~
 1258 ~~director of the Office of Program Policy Analysis and Government~~
 1259 ~~Accountability~~, or a staff member commits ~~shall be guilty of~~ a
 1260 misdemeanor of the first degree, punishable as provided in s.
 1261 775.082 or s. 775.083.

1262 (3) Any person who willfully fails or refuses to provide
 1263 access to an employee, officer, or agent of an entity subject to
 1264 an audit or to furnish or produce any book, record, paper,
 1265 document, data, or sufficient information necessary to a proper
 1266 audit or examination which the Florida Accountability Office,
 1267 Auditor General, or the Office of Program Policy Analysis and
 1268 Government Accountability is by law authorized to perform
 1269 commits a misdemeanor of the first degree, punishable as
 1270 provided in s. 775.082 or s. 775.083.

1271 (4) Any officer who willfully fails or refuses to furnish
 1272 or produce any book, record, paper, document, data, or
 1273 sufficient information necessary to a proper audit or
 1274 examination which the Florida Accountability Office, Auditor
 1275 General, or the Office of Program Policy Analysis and Government

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1276 Accountability is by law authorized to perform, shall be subject
 1277 to removal from office.

1278 **Section 10. Subsections (1) and (2) of section 11.51,**
 1279 **Florida Statutes, are amended to read:**

1280 11.51 Office of Program Policy Analysis and Government
 1281 Accountability.—

1282 ~~(1) The Office of Program Policy Analysis and Government~~
 1283 ~~Accountability is authorized to examine all entities and records~~
 1284 ~~listed in s. 11.45(3).~~

1285 ~~(2) At the conclusion of an examination, the designated~~
 1286 ~~representative of the Office of Program Policy Analysis and~~
 1287 ~~Government Accountability shall discuss the examination with the~~
 1288 ~~official whose office is examined and submit to that official~~
 1289 ~~the Office of Program Policy Analysis and Government~~
 1290 ~~Accountability's preliminary findings. If the official is not~~
 1291 ~~available for receipt of the preliminary findings, clearly~~
 1292 ~~designated as such, delivery thereof is presumed to be made when~~
 1293 ~~it is delivered to his or her office. Whenever necessary, the~~
 1294 ~~Office of Program Policy Analysis and Government Accountability~~
 1295 ~~may request the official to submit his or her written statement~~
 1296 ~~of explanation or rebuttal within 15 days after the receipt of~~
 1297 ~~the findings. If the response time is not requested to be within~~
 1298 ~~15 days, the official shall submit his or her response within 30~~
 1299 ~~days after receipt of the preliminary findings.~~

1300 **Section 11. Paragraph (g) of subsection (2) of section**

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1301 **14.32, Florida Statutes, is amended to read:**

1302 14.32 Office of Chief Inspector General.—

1303 (2) The Chief Inspector General shall:

1304 (g) Report expeditiously to and cooperate fully with the
1305 Department of Law Enforcement, the Chief Financial Officer, the
1306 Department of Legal Affairs, and any other law enforcement
1307 agency believed to have jurisdiction ~~agencies~~ when there are
1308 recognizable grounds to believe that there has been a violation
1309 of criminal law or that a civil action should be initiated.

1310 **Section 12. Subsections (1), (2), (5), (6), and (7) of**
1311 **section 112.3187, Florida Statutes, are amended to read:**

1312 112.3187 Adverse action against employee for disclosing
1313 information of specified nature prohibited; employee remedy and
1314 relief.—

1315 (1) SHORT TITLE.—Sections 112.3187-112.31901 ~~112.3187-~~
1316 ~~112.31895~~ may be cited as the "Whistle-blower's Act."

1317 (2) LEGISLATIVE INTENT.—It is the intent of the
1318 Legislature to prevent agencies or independent contractors from
1319 taking retaliatory action against an employee who reports to an
1320 appropriate agency violations of law on the part of a public
1321 employer or independent contractor ~~that create a substantial and~~
1322 ~~specific danger to the public's health, safety, or welfare.~~ It
1323 is further the intent of the Legislature to prevent agencies or
1324 independent contractors from taking retaliatory action against
1325 any person who discloses information to an appropriate agency

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1326 alleging improper use of governmental office, ~~gross~~ waste of
1327 funds, or any other abuse or ~~gross~~ neglect of duty on the part
1328 of an agency, public officer, or employee.

1329 (5) NATURE OF INFORMATION DISCLOSED.—The information
1330 disclosed under this section must include:

1331 (a) Any violation or suspected violation of any federal,
1332 state, or local law, rule, or regulation committed by an
1333 employee or agent of an agency or independent contractor ~~which~~
1334 ~~creates and presents a substantial and specific danger to the~~
1335 ~~public's health, safety, or welfare.~~

1336 (b) Any act or suspected act of ~~gross~~ mismanagement,
1337 malfeasance, misfeasance, ~~gross~~ waste of public funds, suspected
1338 or actual Medicaid fraud or abuse, or ~~gross~~ neglect of duty
1339 committed by an employee or agent of an agency or independent
1340 contractor.

1341 (6) TO WHOM INFORMATION DISCLOSED.—The information
1342 disclosed under this section must be disclosed to any agency or
1343 federal government entity having the authority to investigate,
1344 police, manage, or otherwise remedy the violation or act,
1345 including, but not limited to, the Florida Accountability
1346 Office, the Office of the Chief Inspector General, an agency
1347 inspector general or the employee designated as agency inspector
1348 general under s. 112.3189(1) or inspectors general under s.
1349 20.055, the Florida Commission on Human Relations, and the
1350 whistle-blower's hotline created under s. 112.3189. However, for

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1351 disclosures concerning a local governmental entity, including
 1352 any regional, county, or municipal entity, special district,
 1353 community college district, or school district or any political
 1354 subdivision of any of the foregoing, the information must be
 1355 disclosed to a chief executive officer as defined in s.
 1356 447.203(9) or other appropriate local official.

1357 (7) EMPLOYEES AND PERSONS PROTECTED.—This section protects
 1358 employees and persons who disclose information on their own
 1359 initiative in a written and signed complaint; who are requested
 1360 to participate in an investigation, hearing, or other inquiry
 1361 conducted by the Florida Accountability Office or any agency or
 1362 federal government entity; who refuse to participate in any
 1363 adverse action prohibited by this section; or who initiate a
 1364 complaint through the whistle-blower's hotline, ~~or~~ the hotline
 1365 of the Medicaid Fraud Control Unit of the Department of Legal
 1366 Affairs, or any communication to the Florida Accountability
 1367 Office; or employees who file any written complaint to their
 1368 supervisory officials or employees who submit a complaint to the
 1369 Florida Accountability Office, the Chief Inspector General in
 1370 the Executive Office of the Governor, ~~to~~ the employee designated
 1371 as agency inspector general under s. 112.3189(1), or ~~to~~ the
 1372 Florida Commission on Human Relations. ~~The provisions of This~~
 1373 section may not be used by a person while he or she is under the
 1374 care, custody, or control of the state correctional system or,
 1375 after release from the care, custody, or control of the state

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1376 correctional system, with respect to circumstances that occurred
 1377 during any period of incarceration. No remedy or other
 1378 protection under ss. 112.3187-112.31895 applies to any person
 1379 who has committed or intentionally participated in committing
 1380 the violation or suspected violation for which protection under
 1381 ss. 112.3187-112.31895 is being sought.

1382 **Section 13. Section 112.3188, Florida Statutes, is amended**
 1383 **to read:**

1384 112.3188 Confidentiality of information given to the
 1385 Florida Accountability Office, the Chief Inspector General,
 1386 internal auditors, inspectors general, local chief executive
 1387 officers, or other appropriate local officials.—

1388 (1) The name or identity of any individual who discloses
 1389 in good faith to the Florida Accountability Office, the Chief
 1390 Inspector General or an agency inspector general, a local chief
 1391 executive officer, or other appropriate local official
 1392 information that alleges that an employee or agent of an agency
 1393 or independent contractor:

1394 (a) Has violated or is suspected of having violated any
 1395 federal, state, or local law, rule, or regulation, ~~thereby~~
 1396 ~~creating and presenting a substantial and specific danger to the~~
 1397 ~~public's health, safety, or welfare;~~ or

1398 (b) Has committed or is suspected of having committed an
 1399 act of ~~gross~~ mismanagement, malfeasance, misfeasance, ~~gross~~
 1400 waste of public funds, or ~~gross~~ neglect of duty

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1401
1402 may not be disclosed to anyone other than a member of the
1403 Florida Accountability Office, Chief Inspector General
1404 General's, agency inspector general general's, internal auditor
1405 auditor's, local chief executive officer officer's, or other
1406 appropriate local officer official's staff without the written
1407 consent of the individual, unless the Florida Accountability
1408 Office, Chief Inspector General, internal auditor, agency
1409 inspector general, local chief executive officer, or other
1410 appropriate local official determines that: the disclosure of
1411 the individual's identity is necessary to prevent a substantial
1412 and specific danger to the public's health, safety, or welfare
1413 or to prevent the imminent commission of a crime; or the
1414 disclosure is unavoidable and absolutely necessary during the
1415 course of the audit, evaluation, or investigation.

1416 (2) (a) Except as specifically authorized by s. 112.3189,
1417 all information received by the Florida Accountability Office,
1418 the Chief Inspector General, or an agency inspector general or
1419 information produced or derived from fact-finding or other
1420 investigations conducted by the Florida Commission on Human
1421 Relations or the Department of Law Enforcement is confidential
1422 and exempt from s. 119.07(1) if the information is being
1423 received or derived from allegations as set forth in paragraph
1424 (1) (a) or paragraph (1) (b), and an investigation is active.

1425 (b) All information received by a local chief executive

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1426 officer or appropriate local official or information produced or
1427 derived from fact-finding or investigations conducted pursuant
1428 to the administrative procedure established by ordinance by a
1429 local government as authorized by s. 112.3187(8) (b) is
1430 confidential and exempt from s. 119.07(1) and s. 24(a), Art. I
1431 of the State Constitution, if the information is being received
1432 or derived from allegations as set forth in paragraph (1) (a) or
1433 paragraph (1) (b) and an investigation is active.

1434 (c) Information deemed confidential under this section may
1435 be disclosed by the Florida Accountability Office, ~~the~~ Chief
1436 Inspector General, agency inspector general, local chief
1437 executive officer, or other appropriate local officer ~~official~~
1438 receiving the information if the recipient determines that the
1439 disclosure of the information is absolutely necessary to prevent
1440 a substantial and specific danger to the public's health,
1441 safety, or welfare or to prevent the imminent commission of a
1442 crime. Information disclosed under this subsection may be
1443 disclosed only to persons who are in a position to prevent the
1444 danger to the public's health, safety, or welfare or to prevent
1445 the imminent commission of a crime based on the disclosed
1446 information.

1447 1. An investigation is active under this section if:

1448 a. It is an ongoing investigation or inquiry or collection
1449 of information and evidence and is continuing with a reasonable,
1450 good faith anticipation of resolution in the foreseeable future;

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1451 or

1452 b. All or a portion of the matters under investigation or

1453 inquiry are active criminal intelligence information or active

1454 criminal investigative information as defined in s. 119.011.

1455 2. Notwithstanding sub-subparagraph 1.a., an investigation

1456 ceases to be active when:

1457 a. The written report required under s. 112.3189(9) has

1458 been sent by the Chief Inspector General to the recipients named

1459 in s. 112.3189(9);

1460 b. It is determined that an investigation is not necessary

1461 under s. 112.3189(5); or

1462 c. A final decision has been rendered by the local

1463 government or by the Division of Administrative Hearings

1464 pursuant to s. 112.3187(8)(b).

1465 3. Notwithstanding paragraphs (a), (b), and this

1466 paragraph, information or records received or produced under

1467 this section which are otherwise confidential under law or

1468 exempt from disclosure under chapter 119 retain their

1469 confidentiality or exemption.

1470 4. Any person who willfully and knowingly discloses

1471 information or records made confidential under this subsection

1472 commits a misdemeanor of the first degree, punishable as

1473 provided in s. 775.082 or s. 775.083.

1474 **Section 14. Subsections (1) through (4), paragraph (b) of**

1475 **subsection (5), and paragraph (c) of subsection (9) of section**

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1476 **112.3189, Florida Statutes, are amended to read:**

1477 112.3189 Investigative procedures upon receipt of whistle-

1478 blower information from certain state employees.-

1479 (1) This section only applies to the disclosure of

1480 information as described in s. 112.3187(5) by an employee or

1481 former employee of, or an applicant for employment with, a state

1482 agency, as the term "state agency" is defined in s. 216.011, to

1483 the Florida Accountability Office, ~~of~~ the Chief Inspector

1484 General of the Executive Office of the Governor, ~~or to~~ the

1485 agency inspector general. If an agency does not have an

1486 inspector general, the head of the state agency, as defined in

1487 s. 216.011, shall designate an employee to receive information

1488 described in s. 112.3187(5). For purposes of this section and s.

1489 112.3188 only, the employee designated by the head of the state

1490 agency shall be deemed an agency inspector general.

1491 (2) To facilitate the receipt of information described in

1492 subsection (1), the Chief Inspector General shall maintain an

1493 in-state toll-free whistle-blower's hotline and shall circulate

1494 among the various state agencies an advisory for all employees

1495 which indicates the existence of the toll-free number and its

1496 purpose and provides an address to which written whistle-blower

1497 information may be forwarded. At least once per month, an

1498 accurate summary of information received via the hotline shall

1499 be communicated to the Florida Accountability Office and

1500 maintained pursuant to s. 11.0431.

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1501 (3) When a person alleges information described in s.
 1502 112.3187(5), the Florida Accountability Office, the Chief
 1503 Inspector General, or the agency inspector general actually
 1504 receiving such information shall within 20 days after ~~of~~
 1505 receiving such information determine:

1506 (a) Whether the information disclosed is the type of
 1507 information described in s. 112.3187(5).

1508 (b) Whether the source of the information is a person who
 1509 is an employee or former employee of, or an applicant for
 1510 employment with, a state agency, as defined in s. 216.011.

1511 (c) Whether the information actually disclosed
 1512 demonstrates reasonable cause to suspect that an employee or
 1513 agent of an agency or independent contractor has violated any
 1514 federal, state, or local law, rule, or regulation, thereby
 1515 creating and presenting a substantial and specific danger to the
 1516 public's health, safety, or welfare, or has committed an act of
 1517 gross mismanagement, malfeasance, misfeasance, gross waste of
 1518 public funds, or gross neglect of duty.

1519 (4) If the Florida Accountability Office, the Chief
 1520 Inspector General, or the agency inspector general under
 1521 subsection (3) determines that the information disclosed is not
 1522 the type of information described in s. 112.3187(5), or that the
 1523 source of the information is not a person who is an employee or
 1524 former employee of, or an applicant for employment with, a state
 1525 agency, as defined in s. 216.011, or that the information

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1526 disclosed does not demonstrate reasonable cause to suspect that
 1527 an employee or agent of an agency or independent contractor has
 1528 violated any federal, state, or local law, rule, or regulation,
 1529 thereby creating and presenting a substantial and specific
 1530 danger to the public's health, safety, or welfare, or has
 1531 committed an act of ~~gross~~ mismanagement, malfeasance,
 1532 misfeasance, ~~gross~~ waste of public funds, or ~~gross~~ neglect of
 1533 duty, the Florida Accountability Office, the Chief Inspector
 1534 General, or the agency inspector general shall notify the
 1535 complainant of such fact and copy and return, upon request of
 1536 the complainant, any documents and other materials that were
 1537 provided by the complainant.

1538 (5)

1539 (b) If the Chief Inspector General or agency inspector
 1540 general determines under paragraph (a) that an investigation is
 1541 not required or not necessary, the Chief Inspector General or
 1542 agency inspector general making such determination shall:

1543 1. Copy and return, upon request of the complainant, any
 1544 documents and other materials provided by the individual who
 1545 made the disclosure.

1546 2. Inform in writing the head of the state agency for the
 1547 agency inspector general making the determination that the
 1548 investigation is not necessary and the individual who made the
 1549 disclosure of the specific reasons why an investigation is not
 1550 necessary and why the disclosure will not be further acted on

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1551 under this section.

1552 (9)

1553 (c) The Chief Inspector General shall transmit any final
1554 report under this section, any comments provided by the
1555 complainant, and any appropriate comments or recommendations by the
1556 the Chief Inspector General to the Governor, the Legislative
1557 Auditing Committee, the Florida Accountability Office, the
1558 investigating agency, and the Chief Financial Officer.

1559 **Section 15. Subsection (4) is added to section 112.31901,**
1560 **Florida Statutes, to read:**

1561 112.31901 Investigatory records.—

1562 (4) This section shall not prevent the Florida
1563 Accountability Office from reviewing any records of any
1564 investigation under this section.

1565 **Section 16. Paragraph (e) of subsection (5) of section**
1566 **112.3215, Florida Statutes, is amended to read:**

1567 112.3215 Lobbying before the executive branch or the
1568 Constitution Revision Commission; registration and reporting;
1569 investigation by commission.—

1570 (5)

1571 (e) Each lobbying firm and each principal shall preserve
1572 for a period of 4 years all accounts, bills, receipts, computer
1573 records, books, papers, and other documents and records
1574 necessary to substantiate compensation. Any documents and
1575 records retained pursuant to this section may be reviewed

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1576 ~~subpoenaed for purposes of an audit or examination directed by~~
1577 ~~the Legislative Auditing Committee pursuant to s. 11.40, and~~
1578 ~~such subpoena may be enforced in circuit court.~~

1579 **Section 17. Paragraph (b) of subsection (1) of section**
1580 **112.324, Florida Statutes, is amended to read:**

1581 112.324 Procedures on complaints of violations and
1582 referrals; public records and meeting exemptions.—

1583 (1) The commission shall investigate an alleged violation
1584 of this part or other alleged breach of the public trust within
1585 the jurisdiction of the commission as provided in s. 8(f), Art.
1586 II of the State Constitution:

1587 (b) Upon receipt of a written referral of a possible
1588 violation of this part or other possible breach of the public
1589 trust from the Governor, the Department of Law Enforcement, a
1590 state attorney, an inspector general, the Florida Accountability
1591 Office, or a United States Attorney.

1592
1593 Within 5 days after receipt of a complaint or referral by the
1594 commission, a copy must be transmitted to the alleged violator.

1595 **Section 18. Paragraph (r) of subsection (1) of section**
1596 **216.011, Florida Statutes, is amended to read:**

1597 216.011 Definitions.—

1598 (1) For the purpose of fiscal affairs of the state,
1599 appropriations acts, legislative budgets, and approved budgets,
1600 each of the following terms has the meaning indicated:

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1601 (r) "Fixed capital outlay" means the appropriation
 1602 category used to fund real property (land, buildings, including
 1603 appurtenances, fixtures and fixed equipment, structures, etc.),
 1604 including additions, replacements, major repairs, and
 1605 renovations to real property which materially extend its useful
 1606 life or materially improve or change its functional use and may
 1607 include ~~including~~ furniture and equipment necessary to furnish
 1608 and operate a new or improved facility, and any other purpose
 1609 designated as a fixed capital outlay by the Legislature, when
 1610 appropriated by the Legislature in the fixed capital outlay
 1611 appropriation category. Minor repairs and maintenance which do
 1612 not materially extend the useful life or materially improve or
 1613 change the functional use of a facility may be appropriated in
 1614 an expense, contracted services, or special appropriation
 1615 category.

1616 **Section 19. Subsections (1) and (2) of section 216.023,**
 1617 **Florida Statutes, are amended to read:**

1618 216.023 Legislative budget requests to be furnished to
 1619 Legislature by agencies.—

1620 (1) The head of each state agency, except as provided in
 1621 subsection (2), shall submit a final legislative budget request
 1622 to the Legislature and to the Governor, as chief budget officer
 1623 of the state, in the form and manner prescribed in the budget
 1624 instructions and at such time as specified by the Executive
 1625 Office of the Governor, based on the agency's independent

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1626 judgment of its needs. However, a state agency ~~must~~ may not
 1627 submit its complete legislative budget request, including all
 1628 supporting forms and schedules required by this chapter, no
 1629 later than September 15 of each odd-numbered year and no later
 1630 than October 15 of each even-numbered year unless an alternative
 1631 date is agreed to be in the best interest of the state by the
 1632 Governor and the chairs of the legislative appropriations
 1633 committees.

1634 (2) The judicial branch and the Division of Administrative
 1635 Hearings shall submit their complete legislative budget requests
 1636 directly to the Legislature with a copy to the Governor, as
 1637 chief budget officer of the state, in the form and manner as
 1638 prescribed in the budget instructions. However, the complete
 1639 legislative budget requests, including all supporting forms and
 1640 schedules required by this chapter, shall be submitted no later
 1641 than September 15 of each odd-numbered year and no later than
 1642 October 15 of each even-numbered year unless an alternative date
 1643 is agreed to be in the best interest of the state by the
 1644 Governor and the chairs of the legislative appropriations
 1645 committees.

1646 **Section 20. Section 216.052, Florida Statutes, is**
 1647 **repealed.**

1648 **Section 21. Subsection (3) of section 216.137, Florida**
 1649 **Statutes, is amended to read:**

1650 216.137 Sessions of consensus estimating conferences;

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1651 | workpapers.—

1652 | (3) WORKPAPERS.—The Office of Economic and Demographic
 1653 | Research principal who is responsible for presiding over the
 1654 | session of a consensus estimating conference, or his or her
 1655 | designee, is responsible for preparing and distributing the
 1656 | necessary workpapers before ~~prior to~~ the meetings of the
 1657 | conference. Unless exempt from s. 119.07(1), such workpapers
 1658 | must be posted on a publicly available Internet website no later
 1659 | than 5 p.m. of the 2nd business day, as defined in s. 61.046,
 1660 | before a scheduled session or meeting of a consensus estimating
 1661 | conference unless the session is a special impact session of the
 1662 | conference as provided in paragraph (1)(d), in which they must
 1663 | be posted no later than one hour before the scheduled impact
 1664 | session. Any principal may cancel a meeting of the conference if
 1665 | such workpapers have not been distributed prior to the meeting.
 1666 | The workpapers shall include comparisons between alternative
 1667 | information when such comparisons are warranted.

1668 | **Section 22. Paragraph (b) of subsection (2) of section**
 1669 | **216.177, Florida Statutes, is amended to read:**

1670 | 216.177 Appropriations acts, statement of intent,
 1671 | violation, notice, review and objection procedures.—

1672 | (2)

1673 | (b) If the chair or the ~~and~~ vice chair of the Legislative
 1674 | Budget Commission or the President of the Senate or ~~and~~ the
 1675 | Speaker of the House of Representatives timely advises ~~advise~~,

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1676 | in writing, the Executive Office of the Governor or the Chief
 1677 | Justice of the Supreme Court that an action or a proposed
 1678 | action, including any expenditure of funds resulting from the
 1679 | settlement of litigation involving a state agency or officer,
 1680 | regardless of whether subject to the notice and review
 1681 | requirements of this chapter ~~or not~~, exceeds the delegated
 1682 | authority of the Executive Office of the Governor for the
 1683 | executive branch or the Chief Justice for the judicial branch,
 1684 | respectively, or is contrary to legislative policy and intent,
 1685 | the Governor or the Chief Justice of the Supreme Court shall
 1686 | void such action and instruct the affected state agency or
 1687 | entity of the judicial branch to change immediately its spending
 1688 | action or spending proposal until the Legislative Budget
 1689 | Commission or the Legislature addresses the issue. The written
 1690 | documentation shall indicate the specific reasons that an action
 1691 | or proposed action exceeds the delegated authority or is
 1692 | contrary to legislative policy and intent.

1693 | **Section 23. Subsection (6) of section 216.192, Florida**
 1694 | **Statutes, is amended to read:**

1695 | 216.192 Release of appropriations; revision of budgets.—

1696 | (6) All budget actions, including the approval of annual
 1697 | release plans, taken pursuant to ~~the provisions of~~ this section
 1698 | are subject to the notice and review procedures set forth in s.
 1699 | 216.177.

1700 | **Section 24. Paragraph (b) of subsection (1) of section**

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1701 **216.222, Florida Statutes, is amended to read:**

1702 216.222 Budget Stabilization Fund; criteria for
1703 withdrawing moneys.—

1704 (1) Moneys in the Budget Stabilization Fund may be
1705 transferred to the General Revenue Fund for:

1706 (b) Providing funding for an emergency as defined in s.
1707 252.34. The emergency must have been ~~declared by the Governor~~
1708 ~~pursuant to s. 252.36 or~~ declared by law. Such a transfer must
1709 be made pursuant to ~~s. 252.37, subject to the conditions in that~~
1710 ~~section, or pursuant to~~ an appropriation by law.

1711 **Section 25. Subsection (4) of section 216.262, Florida**
1712 **Statutes, is amended to read:**

1713 216.262 Authorized positions.—

1714 (4) Notwithstanding the provisions of this chapter
1715 relating to increasing the number of authorized positions, ~~and~~
1716 ~~for the 2025-2026 fiscal year only~~, if the actual inmate
1717 population of the Department of Corrections in the current
1718 fiscal year exceeds the inmate population projections of the
1719 most recently adopted forecast published by the February 21,
1720 2025, Criminal Justice Estimating Conference for the current
1721 fiscal year by 1 percent for 2 consecutive months or 2 percent
1722 for any month, the Executive Office of the Governor, with the
1723 approval of the Legislative Budget Commission, shall immediately
1724 notify the Criminal Justice Estimating Conference, which shall
1725 convene as soon as possible to revise the estimates. The

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1726 Department of Corrections may then submit a budget amendment
1727 requesting the establishment of positions in excess of the
1728 number authorized by the Legislature and additional
1729 appropriations from unallocated general revenue sufficient to
1730 provide for essential staff, fixed capital improvements, and
1731 other resources to provide classification, security, food
1732 services, health services, and other variable expenses within
1733 the institutions to accommodate the estimated increase in the
1734 inmate population. All actions taken pursuant to this subsection
1735 are subject to review and approval by the Legislative Budget
1736 Commission. ~~This subsection expires July 1, 2026.~~

1737 **Section 26. Paragraph (b) of subsection (1) of section**
1738 **216.292, Florida Statutes, is redesignated as paragraph (c),**
1739 **paragraph (a) of subsection (1), paragraph (a) of subsection**
1740 **(2), and paragraph (d) of subsection (4) are amended, and a new**
1741 **paragraph (b) is added to subsection (1) of that section, to**
1742 **read:**

1743 216.292 Appropriations nontransferable; exceptions.—

1744 (1)(a) Funds provided in the General Appropriations Act or
1745 as otherwise expressly provided by law shall be expended only
1746 for the purpose for which appropriated, except that such moneys
1747 may be transferred as provided in this section when it is
1748 determined to be in the best interest of the state.
1749 Appropriations for fixed capital outlay may not be expended for
1750 any other purpose. Appropriations may not be transferred between

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1751 state agencies, or between a state agency and the judicial
 1752 branch, unless specifically authorized in the General
 1753 Appropriations Act or otherwise expressly provided by law.

1754 (b) The Executive Office of the Governor may transfer
 1755 funds within and between state agencies for the sole purpose of
 1756 implementing statewide distributions for Risk Management
 1757 Insurance, Human Resource Services, Department of Administrative
 1758 Hearings, and Data Processing Services. Transfers and
 1759 adjustments are subject to the notice, review, and objection
 1760 procedures of s. 216.177.

1761 (2) The following transfers are authorized to be made by
 1762 the head of each department or the Chief Justice of the Supreme
 1763 Court whenever it is deemed necessary by reason of changed
 1764 conditions:

1765 (a) The transfer of appropriations funded from identical
 1766 funding sources, except appropriations for fixed capital outlay,
 1767 and the transfer of amounts included within the total original
 1768 approved budget and plans of releases of appropriations as
 1769 furnished pursuant to ss. 216.181 and 216.192, as follows:

1770 1. Between categories of appropriations within a budget
 1771 entity, if no category of appropriation is increased or
 1772 decreased by more than 5 percent of the original approved budget
 1773 or \$250,000, whichever is greater, by all action taken under
 1774 this subsection.

1775 2. Between budget entities within identical categories of

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1776 appropriations, if no category of appropriation is increased or
 1777 decreased by more than 5 percent of the original approved budget
 1778 or \$250,000, whichever is greater, by all action taken under
 1779 this subsection.

1780 3. Any agency exceeding salary rate established pursuant
 1781 to s. 216.181(8) on June 30th of any fiscal year shall not be
 1782 authorized to make transfers pursuant to subparagraphs 1. and 2.
 1783 in the subsequent fiscal year.

1784 4. Notice of proposed transfers under subparagraphs 1. and
 1785 2. shall be provided to the Executive Office of the Governor and
 1786 the chairs of the legislative appropriations committees at least
 1787 3 days ~~before~~ prior to agency implementation in order to provide
 1788 an opportunity for review. The review shall be limited to
 1789 ensuring that the transfer is in compliance with the
 1790 requirements of this paragraph.

1791 5. ~~For the 2025-2026 fiscal year,~~ The review shall ensure
 1792 that transfers proposed pursuant to this paragraph comply with
 1793 this chapter, maximize the use of available and appropriate
 1794 trust funds, and are not contrary to legislative policy and
 1795 intent. ~~This subparagraph expires July 1, 2026.~~

1796 (4) The following transfers are authorized with the
 1797 approval of the Legislative Budget Commission. Unless waived by
 1798 the chair and vice chair of the commission, notice of such
 1799 transfers must be provided 14 days before the commission
 1800 meeting:

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1801 (d) The transfers necessary to accomplish the purposes of
 1802 reorganization within state agencies or the judicial branch
 1803 ~~authorized by the Legislature when the necessary adjustments of~~
 1804 ~~appropriations and positions have not been provided in the~~
 1805 ~~General Appropriations Act.~~

1806 **Section 27. Subsection (5) is added to section 409.8134,**
 1807 **Florida Statutes, to read:**

1808 409.8134 Program expenditure ceiling; enrollment; budget
 1809 amendments.—

1810 (5) Notwithstanding ss. 216.181 and 216.292, the agency
 1811 and the department may each submit a budget amendment, subject
 1812 to the notice, review, and objection procedures of s. 216.177,
 1813 to realign funding within the Florida Kidcare program
 1814 appropriation categories, or to increase budget authority in the
 1815 Children's Medical Services network category, to address
 1816 projected surpluses and deficits within the program or to
 1817 maximize the use of state trust funds. A single budget amendment
 1818 may be submitted by the agency and the department in the last
 1819 quarter of the fiscal year.

1820 **Section 28. Subsection (9) is added to section 409.902,**
 1821 **Florida Statutes, to read:**

1822 409.902 Designated single state agency; payment
 1823 requirements; program title; release of medical records; budget
 1824 amendments.—

1825 (9) Notwithstanding ss. 216.181 and 216.292, the agency

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1826 may submit a budget amendment, subject to the notice, review,
 1827 and objection procedures of s. 216.177, to realign funding
 1828 within the Medicaid program appropriation categories to address
 1829 projected surpluses and deficits within the program and to
 1830 maximize the use of state trust funds. A single budget amendment
 1831 may be submitted by the agency in the last quarter of the fiscal
 1832 year.

1833 **Section 29. Paragraph (a) of subsection (7) of section**
 1834 **20.055, Florida Statutes, is amended to read:**

1835 20.055 Agency inspectors general.—

1836 (7) In carrying out the investigative duties and
 1837 responsibilities specified in this section, each inspector
 1838 general shall initiate, conduct, supervise, and coordinate
 1839 investigations designed to detect, deter, prevent, and eradicate
 1840 fraud, waste, mismanagement, misconduct, and other abuses in
 1841 state government. For these purposes, each inspector general
 1842 shall:

1843 (a) Receive complaints and coordinate all activities of
 1844 the agency as required by the Whistle-blower's Act pursuant to
 1845 ss. 112.3187-112.31901 ~~ss. 112.3187-112.31895.~~

1846 **Section 30. Subsection (13) of section 760.06, Florida**
 1847 **Statutes, is amended to read:**

1848 760.06 Powers of the commission.—Within the limitations
 1849 provided by law, the commission shall have the following powers:

1850 (13) To receive complaints and coordinate all activities

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1851 as required by the Whistle-blower's Act pursuant to ss.
 1852 112.3187-112.31901 ss. 112.3187-112.31895.

1853 **Section 31.** (1) (a) Each state agency must review the
 1854 agency's rules imposing audit requirements on public or private
 1855 entities and, on or before October 1, 2026, report any such rule
 1856 that is not specified in statute to the Joint Legislative
 1857 Auditing Committee.

1858 (b) The Auditor General, the Joint Legislative Auditing
 1859 Committee, and the Office of Program Policy Analysis and
 1860 Government Accountability must jointly review all statutory
 1861 audit requirements imposed on public or private entities.

1862 (2) (a) By October 1, 2027, the Auditor General, the Joint
 1863 Legislative Auditing Committee, and the Office of Program Policy
 1864 Analysis and Government Accountability shall deliver a report to
 1865 the President of the Senate, the Speaker of the House of
 1866 Representatives, and the Chief Inspector General that contains
 1867 the following information for each requirement identified in
 1868 subsection (1):

1869 1. The citation for the requirement.

1870 2. A recommendation as to the characterization of the
 1871 requirement as a financial audit, an operational audit, a
 1872 performance audit, or an examination.

1873 3. An estimate of the average annual personnel and
 1874 administrative costs of administering or overseeing the
 1875 requirement.

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1876 4. A recommendation as to which unit of the Florida
 1877 Accountability Office should administer the requirement.

1878 5. Suggestions for any necessary revisions to the
 1879 requirement, the definitions in s. 11.45, Florida Statutes, and
 1880 related statutes to provide clarity and to better conform the
 1881 wording of such provisions to the principles and language of the
 1882 Government Accountability Office's Government Auditing
 1883 Standards, 2024 edition, or any other pertinent auditing or
 1884 investigation standards.

1885 (b) The President of the Senate and Speaker of the House
 1886 of Representatives may provide additional legislative personnel
 1887 and support as necessary to carry out this subsection.

1888 (3) The Administrative Procedures Committee and the
 1889 Division of Law Revision shall provide any assistance necessary
 1890 to carry out this section.

1891 **Section 32.** Except as otherwise expressly provided in this
 1892 act, this act shall take effect July 1, 2026.

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629570

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5207

INTRODUCER: State Administration Budget Subcommittee and Representative Abbott

SUBJECT: Department of Management Services

DATE: February 27, 2026

REVISED: 3/2/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Davis	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5207 makes conforming changes related to the House of Representatives' General Appropriations Act for the 2026-2027 fiscal year, as the bill codifies a health insurance assessment on vacant positions, requires the Department of Management Services (DMS) to implement formulary management beginning January 1, 2027, and removes the scheduled expiration date of July 1, 2026, from the \$3 surcharge imposed on all noncriminal moving traffic violations and specified criminal offenses which funds a portion of the Statewide Law Enforcement Radio System (SLERS).

The bill provides for certain rights and duties concerning the occupation and management of the Capitol Center. The bill specifies that the Governor, Cabinet officers, and Legislature are permanent tenants of the Capitol Center with specifically designated office and parking space. The bill adds the Mayo Building to Memorial Park. The bill ensures that the Legislature is aware of and has the opportunity to approve any project in the Capitol Center that might impact their respective tenancies.

The bill renames "Office of Supplier Diversity" to "Office of Supplier Development," replacing Minority Business Enterprise duties with assistance for Florida-based small businesses and veteran-owned enterprise certification.

The bill deletes a statutory provision that authorized drugs excluded from the State Group Insurance Program to be made available for inclusion if deemed medically necessary by a prescribing physician. The bill also codifies an administrative health insurance assessment for the State Group Insurance Program.

Removing the expiration date of the \$3 traffic violation surcharge generates approximately \$4 million annually for the State Agency Law Enforcement Radio System Trust Fund to support the operation and maintenance of the SLERS.

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

The bill takes effect July 1, 2026.

II. Present Situation:

The State Group Insurance Program (SGI Program)

The SGI Program is created by s. 110.123, F.S., and is administered by the Division of State Group Insurance (DSGI) within the Department of Management Services (DMS). The SGI Program is an optional benefit for most state employees employed by executive branch agencies, state universities, the Florida College System, the court system, and the Legislature and includes health, life, dental, vision, disability, and other supplemental insurance benefits.

The SGI Program typically makes benefits changes on a plan year basis, January 1 through December 31. For Fiscal Year 2025-2026, the SGI Program enrollment is estimated to be 194,568 members.¹ In Fiscal Year 2025-2026, the projected cost of the SGI program is \$4.55 billion.² The Revenue Estimating Conference forecasts the SGI Program to cost \$4.8 billion in Fiscal Year 2026-2027.³

Eligible Employees

The SGI Program is open to the following individuals:

- All state officers;
- All state employees paid from “salaries and benefits” appropriation categories, regardless of the number of hours worked;
- Retired state officers and state employees;
- Surviving spouses of deceased state officers and state employees;
- Certain terminated state officers and state employees; and
- Certain state employees paid from Other Personal Services (OPS) appropriation categories.

For OPS employees hired after April 1, 2013, to be eligible to participate in the health insurance program, the employee must⁴:

- Be reasonably expected to work an average of at least 30 hours per week; and
- Have worked an average of at least 30 hours per week during the employee’s measurement period (which is 12 consecutive months⁵ of employment).

¹ Florida Office of Economic and Demographic Research, <https://edr.state.fl.us/content/conferences/healthinsurance/HealthInsuranceOutlook.pdf> at p. 5 (last visited Feb. 25, 2026).

² *Id.* at 7.

³ *Id.*

⁴ Section 110.123(2)(g)2., F.S.

⁵ Section 110.123(14)(d), F.S.

Employees enrolled in the SGI Program who separate from covered-employment are no longer covered by the benefits of the SGI Program. An exception would be continuation of SGI Program benefits under the federal COBRA (Consolidated Omnibus Reconciliation Act) law, which generally allows individuals who separate from employment to extend health care coverage for up to 18 months. Under COBRA, former employees must pay the full cost of insurance premiums, plus an administrative fee of two percent.

Formulary

A formulary is a list of prescription drugs covered by a health plan's pharmacy benefit design. It dictates which drugs a health plan predetermines will be covered, and at what level, for reimbursement under the terms of its pharmacy benefit plan. Formularies distinguish between preferred or discouraged prescription drugs by dividing products into different tiers, designating different levels of patient out of pocket costs. A formulary may cover both generic and brand name prescription drugs. Formulary selection involves an assessment of both the clinical and financial elements of a prescription medication.

In 2019, the Legislature directed the DMS to modify the State Group Insurance Program to use formulary management techniques to administer the Prescription Drug Plan beginning with the 2020 plan year.⁶ Prescription drugs are subject to formulary inclusion or exclusion but may not restrict access to the most clinically appropriate, clinically effective, and lowest net-cost prescription drugs and supplies. Section 110.12315(9)(a), F.S., authorizes excluded drugs to be made available for inclusion if a physician, advanced practice registered nurse, or physician assistant prescribing a pharmaceutical clearly states on the prescription that the excluded drug is medically necessary.

Administrative Health Insurance Assessment

Beginning July 1, 2023, and on the first day of each month thereafter, the DMS is required to assess an administrative health insurance assessment to each state agency.⁷ The assessment is equal to the employer's cost of individual employee health care coverage for each vacant position within such agency eligible for coverage through the Division of State Group Insurance. When appropriating positions, the Legislature includes this recurring cost of individual employee health coverage within the Salaries and Benefits category of the agency's budget.

State agencies are defined as an agency within the State Personnel System, the Department of the Lottery, the Justice Administrative Commission, and all entities administratively housed in the Justice Administrative Commission, and the state courts system. Vacant positions that are fully or partially funded by state funds are subject to the assessment. For vacant positions that are partially funded with state funds, the assessment is equal to the percentage share of state funds provided for such vacancies.

For positions that are fully funded with federal funds, the assessment does not apply. For positions that are fully or partially funded with federal funds, agencies are required to take steps

⁶ Chapter 2019-100, Laws of Fla.

⁷ Chapter 2023-240, s. 73, Laws of Fla.

to include the administrative health insurance assessment in its indirect cost plan for the 2025-2026 fiscal year and each fiscal year thereafter. Agencies must notify the DMS, the Executive Office of the Governor, the chair of the Senate Committee on Appropriations and the chair of the House of Representatives Appropriations Committee, upon approval of the updated indirect cost plan. If the agency is not able to obtain approval for the positions from the federal awarding agency, the agency must notify the DMS, the Executive Office of the Governor, and the appropriation and budget chairs no later than January 15, 2026.⁸

The Administrative Health Insurance Assessment in the bill is designed to address a critical, projected insolvency in the State Employees' Health Insurance Trust Fund, as expenses are outpacing revenues. Without new revenue sources or structural changes, the State Employees' Health Insurance Trust Fund is projected to face a negative cash balance.

The following is a summary of the Outlook for the State Employees' Health Insurance Trust Fund through FY 2030-31⁹:

\$ in millions	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate
Beginning Cash Balance	\$772.2*	\$240.9	\$0.0	\$0.0	\$0.0	\$0.0
Total Revenues	\$4,019.4	\$4,224.6	\$4,290.4	\$4,368.0	\$4,469.9	\$4,582.2
Total Expenses	\$4,550.7	\$4,828.3	\$5,227.8	\$5,659.3	\$6,132.7	\$6,649.5
Operating Gain/(Loss)	(\$531.3)	(\$603.7)	(\$937.5)	(\$1,291.3)	(\$1,662.8)	(\$2,067.3)
Ending Cash Balance	\$240.9	(\$362.8)	(\$937.5)	(\$1,291.3)	(\$1,662.8)	(\$2,067.3)

*Includes \$275 million transfer from General Revenue pursuant to Ch. 2025-198, L.O.F. Outlook assumes no carry forward of negative cash balance.

The assessment is authorized in the current Fiscal Year 2025-2026 Implementing Bill,¹⁰ which requires agencies to pay the employer's cost of single coverage for each vacant position. The administrative health insurance assessment has been included in the estimated revenue for FY 2026-2027. Without codification, the Legislature will need to transfer an additional \$58.1 million from the General Revenue Fund in FY 2026-2027 to cover the trust fund deficit.

Capitol Center and Capitol Complex

Chapter 272, F.S., provides that the Capitol Center is under the general control and supervision of the DMS, which includes the management and maintenance of both grounds and buildings. The DMS is authorized to allocate space in the specified buildings to house various departments, agencies, boards, and commissions except the Supreme Court Building.

The term "Capitol Complex" is defined to include: that portion of Tallahassee, Leon County, Florida, commonly referred to as the Capitol, the Historic Capitol, the Senate Office Building,

⁸ Chapter 2025-199, s. 108, Laws of Fla.

⁹ Florida Office of Economic and Demographic Research, <https://edr.state.fl.us/content/conferences/healthinsurance/HealthInsuranceOutlook.pdf> at p.7 (last visited February 25, 2026).

¹⁰ Chapter 2025-199, s. 108, Laws of Fla.

the House Office Building, the Knott Building, the Pepper Building, the Holland Building, the Elliot Building, the R.A. Gray building, and the associated parking garages curtilage of each, including the state-owned lands and public streets adjacent thereto within an area bounded by and including Calhoun Street, East Pensacola Street, Monroe Street, Jefferson Street, West Pensacola, Martin Luther King Jr. Boulevard, and Gaines Street. The term does not include the Supreme Court Building or the public streets adjacent thereto. The portion of the Capitol Complex existing between and including the Elliot Building and the Holland Building within an area bounded by and including Monroe Street, Gaines Street, Calhoun Street, and East Pensacola Street shall be known as “Memorial Park.”

The DMS is responsible for the management, maintenance, and upkeep of the Capital Complex and has authority to employ a superintendent of the grounds and other employees, and to designate or appoint a non-salaried advisory committee to advise them.

Mayo Building

The Mayo Building currently serves as the headquarters for the Department of Agriculture and Consumer Services (DACS). The Legislature began funding the planning for a new DACS headquarters in 2022. The facility is scheduled for completion in late 2027, at the Conner Complex in Tallahassee.

The Office of Supplier Diversity and Florida Minority Business Loan Mobilization Program

The Florida Small and Minority Business Assistance Act of 1985¹¹ established the state’s initial framework for promoting minority business participation in state procurement. The Office of Supplier Diversity (OSD) was subsequently established within DMS under s. 287.09451, F.S., to assist minority business enterprises (MBEs) in becoming suppliers of commodities, services, and construction to the state.

The Florida Minority Business Loan Mobilization Program was created in s. 288.706, F.S., to assist the MBEs in obtaining working capital for state contracts. The program allows state agencies to disburse a portion of a contract award (typically five percent to 10 percent) to a participating financial institution to help the vendor secure financing.

Statewide Law Enforcement Radio System (SLERS)

Chapter 282, F.S., provides duties and responsibilities required of the DMS. Specifically, the DMS is authorized to acquire and administer a statewide radio communications system, which is known as the Statewide Law Enforcement Radio System (SLERS), to serve state law enforcement officers and other participating agencies throughout the state. The DMS bears the overall responsibility for the design, engineering, acquisition, and implementation of the system for ensuring the proper operation and maintenance of all common SLERS equipment.¹²

¹¹ Chapter 1985-104, Laws of Fla.

¹² Section 282.709(1)(b), F.S.

Section 282.709(2), F.S., creates the Joint Task Force on State Agency Law Enforcement Communications (task force). The task force consists of the following members:

- A representative of the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation appointed by the secretary of the department.
- A representative of the Division of Florida Highway Patrol of the Department of Highway Safety and Motor Vehicles appointed by the executive director of the department.
- A representative of the Department of Law Enforcement appointed by the executive director of the department.
- A representative of the Fish and Wildlife Conservation Commission appointed by the executive director of the commission.
- A representative of the Division of Law Enforcement of the Department of Environmental Protection appointed by the secretary of the department.
- A representative of the Department of Corrections appointed by the secretary of the department.
- A representative of the Department of Financial Services appointed by the Chief Financial Officer.
- A representative of the Department of Agriculture and Consumer Services appointed by the Commissioner of Agriculture.
- A representative of the Florida Sheriffs Association appointed by the president of the Florida Sheriffs Association.¹³

The DMS, in consultation with the task force and in conjunction with the Department of Law Enforcement and the Division of Emergency Management, is required to establish policies, procedures, and standards to incorporate into a comprehensive management plan for the use and operation of SLERS.¹⁴ Chapter 2021-37, Laws of Florida, required the DMS to execute a 15-year contract with the current system operator, which became effective July 1, 2021. The contract is required to include: the purchase of radios; the upgrade to the Project 25 communications standard; increased system capacity and enhanced coverage for system users; operations, maintenance, and support at a fixed annual rate; the conveyance of communications towers to the DMS; and the assignment of communications tower leases to the DMS.

Section 282.709(3)(b), F.S., creates the State Agency Law Enforcement Radio System Trust Fund (trust fund). Moneys deposited into the trust fund are used to fund the operations, maintenance and support costs of the SLERS system and may be used by the DMS for payment of recurring maintenance costs of SLERS. The current 15-year contract for the operation of the SLERS system is currently funded in the Fiscal Year 2025-2026 General Appropriations Act at \$19 million. The funding to support the \$19 million appropriation is derived from two surcharges established in statute and deposited in the trust fund. The surcharges include:

- A \$1 surcharge collected from the general public on motor vehicle and vessel registrations as provided in ss. 320.0802 and 328.72(9), F.S., respectively; and
- A \$3 surcharge on specified criminal offenses and for all noncriminal moving traffic violations as established in s. 318.18(18), F.S., for the SLERS system and to provide for system enhancements of the SLERS network. However, the \$3 fee established in s. 318.18(18), F.S., is set to expire July 1, 2026.

¹³ Section 282.709(2)(a), F.S.

¹⁴ Section 282.709(4)(b), F.S.

III. Effect of Proposed Changes:

State Group Insurance Program

Section 1 amends s. 110.12315(9), F.S., to require DMS to implement formulary management for prescription drugs and supplies beginning with the 2027 plan year. The bill removes the requirement for drugs excluded from the formulary to be available for inclusion if a physician, advanced practice registered nurse, or physician assistant prescribing a pharmaceutical clearly states on the prescription that the excluded drug is medically necessary.

Section 2 creates s. 110.12316, F.S., to codify the Administrative Health Insurance Assessment that was included in the Fiscal Year 2025-2026, Fiscal Year 2024-2025, and Fiscal Year 2023-2024 Implementing Bills.

Capitol Complex Management (Space Allocation, Projects, and Parking Assignments)

Section 4 amends s. 272.04, F.S., to specify that the Governor, Cabinet officers, and the Legislature are permanent tenants of the Capitol Center. The bill states that interior space allocated to each tenant on or after January 1, 2026, may not be reduced or moved without express consent of the tenant. The bill specifies that the Legislature has the first right of refusal for use of any additional space in the Capitol Center that becomes vacant.

Section 5 amends s. 272.09, F.S., to formally include the Mayo Building within the definition of the "Capitol Complex". The bill adds the Mayo Building and its associated parking to the Capitol Complex, designating the property as part of "Memorial Park." While the DMS generally manages the Capitol Center, the bill specifically requires the DMS to commence management, maintenance, and upkeep of the Nathan Mayo Building only after the Department of Agriculture and Consumer Services vacates the building.

In addition, the bill requires that before the DMS, plans or schedules any project that impacts space occupied by a permanent tenant other than the Governor, the DMS must coordinate and receive the tenant's approval on the scope, design, and timeline of the project. For projects that would impact space in which the Legislature is the tenant, the DMS must coordinate with and receive approval from the President of the Senate or the Speaker of the House of Representatives, or both, as appropriate. For any project that impacts space in which the Legislature is the tenant, the DMS must consider the schedule and time constraints of the Legislature, as well as the Legislature's needs. Additionally, the bill states that the Legislature may renovate any space allocated to their chamber without approval from the DMS.

Section 6 amends s. 272.121, F.S., to specify that the DMS must solicit feedback of all permanent tenants of the Capitol Center, including the Governor, the Chief Financial Officer, the Attorney General, the Commissioner of Agriculture, the President of The Senate, and the Speaker of the House of Representatives, when completing the Capitol Center's long-range plan report. The bill also specifies that the DMS must consult with and receive approval from the President of the Senate or the Speaker of the House of Representatives, or both, as appropriate, before including in the DMS' Capitol Center's long-range plan report, any project that impacts any space in the Capitol Center in which the Legislature is the tenant.

Section 7 amends s. 272.16, F.S., to specify that parking spaces allocated to the Legislature on January 1, 2026, may not be reduced or reassigned without the express consent of the Legislature. In addition, the Legislature has the first right of refusal for the use of spaces upon availability.

Office of Supplier Development

Current law establishes the Office of Supplier Diversity (OSD) to assist minority business enterprises (MBEs).

Section 3 amends s. 110.605, F.S., to repeal the requirement for the DMS to develop programs for women and minorities in the Selected Exempt Service.

Sections 8, 9, 12, 17, and 24 amend ss. 287.012, 287.042, 287.09451, 17.11, 287.094, F.S., respectively, to rename the OSD the "Office of Supplier Development" (the Office).

The bill restructures the DMS responsibilities by removing all statutory requirements related to the certification and monitoring of Minority Business Enterprises (MBEs). Currently, the OSD is responsible for certifying MBEs, monitoring agency compliance with utilization plans, and maintaining a directory of certified enterprises.

Sections 10, 11, and 12 relate to the certification of MBEs. Specifically the bill repeals ss. 287.0943 and 287.09431, F.S., and deletes s. 287.09451(4)(m), F.S., eliminating the state's process for certifying and recertifying MBEs.

Section 12 amends s. 287.09451, F.S., relating the Office's powers, duties, and functions. The bill does the following:

- Elimination of Agency Compliance Duties: the bill deletes s. 287.09451(6), F.S., to remove the requirement for state agencies to coordinate with the Office, designate minority enterprise assistance officers, and submit minority business utilization plans.
- Removal of Spending Goals: the bill deletes s. 287.09451(4)(n), F.S., which established sector-specific spending goals (e.g., 21 percent for construction and 25 percent for architectural services) for certified MBEs.
- Removal of Protest Standing: the bill deletes s. 287.09451(5)(d), F.S., to remove the Office's standing to protest agency contract awards that fail to include MBE participation.

In addition, the bill amends s. 287.09451, F.S., to modify the Office's focus toward "Florida-based small businesses" and veterans. The Office is authorized to:

- Receive and disseminate information:
 - For the continued growth and success of Florida's small businesses, including the planning, hosting, and support of events for Florida-based small business enterprises.
 - Related to procurement opportunities for Florida-based small business enterprises.
- Create an electronic certification and recertification process for veteran-owned small business enterprises as defined in s. 295.187, F.S. Currently, the DMS designates "Certified Veteran Business Enterprises" under s. 295.187, F.S., primarily for the purpose of granting vendor preferences. The bill formalizes this into an electronic certification process within the newly named Office of Supplier Development, valid for two-year terms.

- Advise and provide education or other resources to agencies on methods and techniques for achieving procurement objectives that increase the use of Florida-based small business enterprises in state and local government procurement contracts.
- Adopt rules, establish processes, and prescribe and publish forms as necessary to carry out its duties.

Conforming Amendments and Repeal of Related References

To align with the substantive repeal of the Minority Business Enterprise (MBE) certification program, the bill includes the following series of conforming changes to remove related references to the Office of Supplier Diversity and certified MBEs:

- **Sections 8 and 26** amend ss. 287.012 and 288.703, F.S., respectively, to repeal the definition of "minority business enterprise."
- **Section 13** repeals s. 287.0947, relating to the creation, membership, and duties of the Florida Advisor Council on Small and MBEs.
- **Sections 20 through 23** amend ss. 255.101, 255.102, 287.055, and 287.057, F.S., respectively, relating to procurement and public works, to prohibit agencies from reserving contracts solely for minority business enterprises or using price preferences (up to 10 percent) to favor them. It further removes the requirement for the Office of Supplier Development to monitor "good faith efforts" in construction contracts.
- **Sections 18 and 30** amend ss. 24.113 and 1001.706, F.S., relating to the Department of the Lottery and the Board of Governors, respectively, to remove mandates for those entities to meet the MBE procurement goals or ensure compliance with the repealed statutes.
- **Sections 19, 25, 27, 28, and 29** amend ss. 212.096, 288.1167, 376.3072, 376.84, and 473.3065, F.S., respectively, to remove the MBE status as a qualification factor for various state incentives, brownfield redevelopment programs, sports franchise concession requirements, and the Clay Ford Scholarship Program for Certified Public Accountants.

Florida Minority Business Loan Mobilization Program

Current law requires the DMS to administer the Florida Minority Business Loan Mobilization Program and maintain a list of participating financial institutions.

Section 14 amends s. 288.706, F.S., to remove the DMS as the administrator of this program. It also removes the requirement for the DMS to maintain a list of participating financial institutions and to collaborate with the Department of Commerce on black business enterprise development.

Statewide Law Enforcement Radio System (SLERS)

Sections 15 and 16 amend ss. 318.18 and 318.21, F.S., to remove the expiration date (July 1, 2026) of the \$3 surcharge assessed on all noncriminal moving traffic violations and specified criminal offenses to continue the support for the cost of the SLERS.

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:

Article VII, s. 19 of the Florida Constitution requires the imposition, authorization, or raising of a state tax or fee be contained in a separate bill that contains no other subject and be approved by two-thirds of the membership of each house of the Legislature. The bill applies to an existing surcharge, as such, Art. VII, s. 19 of the Florida Constitution does not apply. The bill does not raise a state tax or fee, as defined by the constitutional provision. Rather, the bill merely removes the current expiration date of the existing \$3 surcharge.

E. Other Constitutional Issues:

None.

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

The bill removes the expiration date of the \$3 surcharge imposed on all noncriminal moving traffic violations and specified criminal offenses to continue the support for the cost of the SLERS system. The fee generates approximately \$4 million annually for the trust fund to support the maintenance and administrative functions of the system.

B. Private Sector Impact:**Veteran-Owned Businesses**

Veteran-owned small business enterprises may benefit from the new certification process, potentially increasing their visibility and access to state procurement opportunities.

Minority Business Enterprises

The elimination of statutory spending goals (e.g., 24 percent for commodities, 50.5 percent for contractual services) and "good faith effort" requirements for prime

contractors may result in a decrease in state contract awards to minority-owned businesses.

SLERS

Individuals committing a noncriminal moving traffic violation or a specified criminal offense will continue to be assessed a \$3 surcharge to support the Statewide Law Enforcement Radio System (SLERS).

C. Government Sector Impact:

The bill has an indeterminate; significant fiscal impact related to the following.

Operations

- The Department of Management Services (DMS) may incur nominal administrative costs associated with updating rules, forms, and websites to reflect the name change to the "Office of Supplier Development."
- Developing the electronic certification process for veteran-owned businesses may require upfront technology adjustments.
- To the extent that direct control over utilities for any space for which the Legislature is the tenant includes the responsibility for funding the costs for maintenance, the Legislature may be required to expend additional funds.

Program Administration

- The bill requires the DMS to implement formulary management for prescription drugs which will provide savings to the State Group Insurance Program (SGI Program). A cost containment analysis study authorized by the DMS in 2023, estimated that a formulary may save an estimated \$126 million per year¹⁵. Savings related to the formulary management required in the bill will depend on how such measures are implemented by the DMS.
- Based on the January 2026 Financial Outlook, the administrative health insurance assessment is projected to generate \$58.1 million in revenue for the trust fund in Fiscal Year 2025-2026. This amount is included in the total projected revenues of \$4,019.4 million for that fiscal year.
- The DMS may realize savings from the removal of the statutory requirement for the DMS to certify and recertify minority business enterprises, investigate complaints regarding minority status, and monitor agency compliance with spending goals. These savings are likely to be offset by the establishment and operations of the Office's new duties for Florida small businesses and veterans.
- The removal of the requirement for the DMS to administer the Florida Minority Business Loan Mobilization Program may also result in operational savings or a reallocation of staff resources.

¹⁵ Cost Containment Analysis Study, State of Florida Department of Management Services, Division of State Group Insurance, January 9, 2023.

State Employees Health Insurance Trust Fund Savings

The Administrative Health Insurance Assessment (Assessment) is currently contemplated by the Revenue Estimating Conference as part of the revenues into the State Employees Health Insurance Trust Fund. For the Fiscal Year 2025-2026, the Assessment will transfer an estimated \$58.1 million to the Trust Fund. For Fiscal Year 2026-2027, the estimated Assessment is \$61.7 million, and for Fiscal Year 2027-2028 the estimated Assessment is \$61.1 million.

Savings related to the formulary management required in the bill will depend on how such measures are implemented by the DMS and therefore, such savings are indeterminate.

SLERS

The chart¹⁶ below, as provided by the DMS, shows the collections and miscellaneous revenues deposited into the State Agency Law Enforcement Radio System Trust Fund.

Revenues (actual and estimated):					
	2021-22	2022-23	2023-24	2024-25	2025-26 (estimated)
\$1 Surcharge Collection (autos and vessels)	\$23,067,033	\$23,683,564	\$23,676,800	\$25,129,875	\$24,443,865
\$3 Surcharge Collection* (Expires July 1, 2026)	\$3,958,711	\$4,022,516	\$4,147,980	\$4,295,201	\$4,022,516
Miscellaneous Revenues	\$145,681	\$311,878	\$606,822	\$958,587	\$926,477
TOTAL	\$27,171,425	\$28,017,959	\$28,431,602	\$30,383,663	\$29,392,858

Total appropriations related to program costs for Fiscal Year 2025-2026 are \$29.5 million, which includes the cost of the current contract. Removing the expiration date of the \$3 surcharge authorizes the collection of an estimated \$4 million per year to fund the overall cost of the SLERS.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

¹⁶ Email from the DMS (dated January 23, 2026) (on file with the with the Senate Appropriations Committee on Agriculture, Environment, and General Government).

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 110.12315, 110.605, 272.04, 272.09, 272.121, 272.16, 287.012, 287.042, 287.09451, 288.706, 318.18, 318.21, 17.11, 24.113, 212.096, 255.101, 255.102, 287.055, 287.057, 287.094, 288.1167, 288.703, 376.3072, 376.84, 473.3065, and 1001.706.

This bill creates section 110.12316 of the Florida Statutes.

This bill repeals the following sections of the Florida Statutes: 287.0943, 287.09431, and 287.0947.

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:**Barcode 604948 by Appropriations on March 2, 2026:**

This amendment deletes everything and does not insert additional language.

(WITH TITLE AMENDMENT)



604948

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

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1 A bill to be entitled
 2 An act relating to the Department of Management
 3 Services; amending s. 110.12315, F.S.; revising the
 4 plan year for which the department must implement
 5 formulary management for prescription drugs and
 6 supplies under the state employees' prescription drug
 7 program; removing a requirement that certain
 8 prescription drugs be made available for inclusion in
 9 the program formulary; prohibiting coverage of certain
 10 prescription drugs and supplies under the program;
 11 revising the date by which the department must submit
 12 a list of prescription drugs and supplies excluded
 13 from coverage under the program to the Governor and
 14 Legislature; creating s. 110.12316, F.S.; defining the
 15 term "state agency"; requiring the department to make
 16 a certain administrative health insurance assessment
 17 against each state agency; providing applicability of
 18 and requirements for such assessments; amending s.
 19 110.605, F.S.; removing a requirement that the
 20 department develop a program to ensure positions for
 21 women and minorities in the Selected Exempt Service;
 22 amending s. 272.04, F.S.; specifying that the
 23 Governor, the Cabinet officers, and the Legislature
 24 are permanent tenants of the Capitol Complex;
 25 providing requirements for modifications of interior

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26 spaces allocated to such tenants and the use of vacant
 27 interior spaces within the complex; amending s.
 28 272.09, F.S.; revising the definitions of the terms
 29 "Capitol Complex" and "Memorial Park"; requiring the
 30 department to manage, maintain, and upkeep the Mayo
 31 Building after the Department of Agriculture and
 32 Consumer Services vacates the building; requiring the
 33 department to consult with and receive the approval of
 34 tenants for certain projects within the Capitol
 35 Center; requiring the department to consider certain
 36 factors for projects that impact legislative spaces;
 37 authorizing the Legislature to make modifications to
 38 allocated spaces; requiring the department to receive
 39 approval from the Legislature for certain projects
 40 before including such projects in a specified report;
 41 amending s. 272.121, F.S.; requiring the department to
 42 solicit feedback from specified entities in the
 43 development of long-range planning for the Capitol
 44 Center; amending s. 272.16, F.S.; providing
 45 requirements for the assignment or reduction of
 46 parking spaces allocated to the Legislature within the
 47 Capitol Center; amending s. 287.012, F.S.; removing
 48 the definition of the term "minority business
 49 enterprise"; amending s. 287.042, F.S.; removing
 50 provisions authorizing the Office of Supplier

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51 Diversity to monitor the state procurement system for
 52 the use of minority business enterprises and to
 53 consult with the department on procedures for such
 54 procurement; repealing s. 287.0943, F.S., relating to
 55 the certification of minority business enterprises;
 56 repealing s. 287.09431, F.S., relating to statewide
 57 and interlocal agreements on certification of business
 58 concerns for the status of minority business
 59 enterprises; amending s. 287.09451, F.S.; renaming the
 60 Office of Supplier Diversity as the Office of Supplier
 61 Development; removing legislative intent provisions
 62 relating to the participation of minority business
 63 enterprises in the state procurement system; providing
 64 powers, duties, and functions of the office relating
 65 to the participation of Florida-based small business
 66 enterprises in the state procurement system; removing
 67 provisions authorizing the Office of Supplier
 68 Diversity to adopt certain rules and take certain
 69 actions relating to compliance with the department's
 70 minority business enterprise procurement goals;
 71 repealing s. 287.0947, F.S., relating to the Florida
 72 Advisory Council on Small and Minority Business
 73 Development; amending s. 288.706, F.S.; removing
 74 provisions requiring the department to administer the
 75 Florida Minority Business Loan Mobilization Program,

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76 maintain a listing of certain financial institutions,
 77 and collaborate with the Department of Commerce in the
 78 development and enhancement of black business
 79 enterprises; amending ss. 318.18 and 318.21, F.S.;
 80 removing the expiration date for the disposition of
 81 specified proceeds used for law enforcement
 82 communication systems; amending ss. 17.11, 24.113,
 83 212.096, 255.101, 255.102, 287.055, 287.057, 287.094,
 84 288.1167, 288.703, 376.3072, 376.84, 473.3065, and
 85 1001.706, F.S.; conforming cross-references and
 86 provisions to changes made by the act; providing an
 87 effective date.
 88

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

91 **Section 1. Subsection (9) of section 110.12315, Florida**
 92 **Statutes, is amended to read:**

93 110.12315 Prescription drug program.—The state employees'
 94 prescription drug program is established. This program shall be
 95 administered by the Department of Management Services, according
 96 to the terms and conditions of the plan as established by the
 97 relevant provisions of the annual General Appropriations Act and
 98 implementing legislation, subject to the following conditions:

99 (9) (a) Beginning with the 2027 ~~2020~~ plan year, the
 100 department must implement formulary management for prescription

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101 drugs and supplies. Such management practices must require
 102 prescription drugs to be subject to formulary inclusion or
 103 exclusion but may not restrict access to the most clinically
 104 appropriate, clinically effective, and lowest net-cost
 105 prescription drugs and supplies. ~~Drugs excluded from the~~
 106 ~~formulary must be available for inclusion if a physician,~~
 107 ~~advanced practice registered nurse, or physician assistant~~
 108 ~~prescribing a pharmaceutical clearly states on the prescription~~
 109 ~~that the excluded drug is medically necessary.~~ Prescription
 110 drugs and supplies first made available in the marketplace after
 111 January 1, ~~2027~~ 2020, may not be covered by the prescription
 112 drug program until specifically included in the list of covered
 113 prescription drugs and supplies.

114 (b) No later than October 1, ~~2026~~ 2019, and by each
 115 October 1 thereafter, the department must submit to the
 116 Governor, the President of the Senate, and the Speaker of the
 117 House of Representatives the list of prescription drugs and
 118 supplies that will be excluded from program coverage for the
 119 next plan year. If the department proposes to exclude
 120 prescription drugs and supplies after the plan year has
 121 commenced, the department must provide notice to the Governor,
 122 the President of the Senate, and the Speaker of the House of
 123 Representatives of such exclusions at least 60 days before
 124 implementation of such exclusions.

125 **Section 2. Section 110.12316, Florida Statutes, is created**

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126 **to read:**

127 110.12316 Administrative health insurance assessments
 128 against state agencies for vacant positions.-

129 (1) As used in this section, the term "state agency" means
 130 an agency within the State Personnel System, the Department of
 131 the Lottery, the Justice Administrative Commission and all
 132 entities administratively housed in the Justice Administrative
 133 Commission, and the state courts system.

134 (2) Beginning July 1, 2026, and on the first day of each
 135 month thereafter, the Department of Management Services shall
 136 make an administrative health insurance assessment against each
 137 state agency equal to the employer's cost of individual employee
 138 health care coverage for each vacant position within the state
 139 agency eligible for coverage through the Division of State Group
 140 Insurance.

141 (3) Within 30 days after receipt of the administrative
 142 health insurance assessment under subsection (2) from the
 143 department, each state agency shall remit to the State Employees
 144 Health Insurance Trust Fund the assessment for the state group
 145 insurance program, as provided in ss. 110.123 and 110.1239, from
 146 currently allocated moneys for salaries and benefits. If a state
 147 agency becomes more than 60 days delinquent in payment of the
 148 assessment, the department shall certify to the Chief Financial
 149 Officer the amount due and the Chief Financial Officer shall
 150 transfer to the department the amount due.

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151 (4) The administrative health insurance assessment must
 152 apply to all vacant positions funded with state funds, whether
 153 fully or partially funded with state funds. Vacant positions
 154 partially funded with state funds must pay a percentage of the
 155 assessment imposed in subsection (2) equal to the percentage
 156 share of state funds provided for the vacant positions. The
 157 assessment does not apply to vacant positions that are fully
 158 funded with federal funds. By July 31, 2026, each state agency
 159 shall provide the department with a complete list of all
 160 positions by position number which are fully or partially funded
 161 with federal funds and shall include the percentage of federal
 162 funding for each position. Thereafter, each state agency shall
 163 update the list on the last day of each month. For vacant
 164 positions that are fully or partially funded with federal funds,
 165 each state agency shall immediately take steps to include the
 166 administrative health insurance assessment in its indirect cost
 167 plan for the 2026-2027 fiscal year and each fiscal year
 168 thereafter. A state agency shall notify the department, the
 169 Executive Office of the Governor, and the chair and vice chair
 170 of the Legislative Budget Commission of the updated indirect
 171 cost plan, upon approval from the federal awarding agency. If
 172 the state agency cannot obtain approval from its federal
 173 awarding agency, the state agency shall notify the department,
 174 the Executive Office of the Governor, and the chair and vice
 175 chair of the Legislative Budget Commission no later than January

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176 15 of each calendar year.
 177 (5) Pursuant to the notice, review, and objection
 178 procedures of s. 216.177, the Executive Office of the Governor
 179 may transfer budget authority appropriated in the Salaries and
 180 Benefits appropriation category between state agencies in order
 181 to align the appropriations granted with the assessment that
 182 must be paid by each state agency to the department for the
 183 administrative health insurance assessment.

184 **Section 3. Paragraph (d) of subsection (1) of section**
 185 **110.605, Florida Statutes, is amended to read:**

186 110.605 Powers and duties; personnel rules, records,
 187 reports, and performance appraisal.—

188 (1) The department shall adopt and administer uniform
 189 personnel rules, records, and reports relating to employees and
 190 positions in the Selected Exempt Service, as well as any other
 191 rules and procedures relating to personnel administration which
 192 are necessary to carry out the purposes of this part.

193 ~~(d) The department shall develop a program of affirmative~~
 194 ~~and positive actions that will ensure full utilization of women~~
 195 ~~and minorities in Selected Exempt Service positions.~~

196 **Section 4. Section 272.04, Florida Statutes, is amended to**
 197 **read:**

198 272.04 Department to allocate space.—

199 (1) The Department of Management Services shall have
 200 authority to allocate space to house the various departments,

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201 agencies, boards, and commissions in said buildings, excepting,
 202 however, the new Supreme Court Building, for which authority
 203 shall be vested in the justices of the Supreme Court.

204 (2) Notwithstanding any other law, the Governor, the
 205 Cabinet officers, and the Legislature are permanent tenants of
 206 the Capitol Complex. The interior space allocated to each tenant
 207 on or after January 1, 2026, may not be reduced or moved without
 208 express consent of the tenant. If additional interior space
 209 becomes vacant, the Legislature has the first right of refusal
 210 for use of the space.

211 **Section 5. Subsection (4) of section 272.09, Florida**
 212 **Statutes, is renumbered as subsection (5), subsections (1) and**
 213 **(2) of that section are amended, and a new subsection (4) is**
 214 **added to that section, to read:**

215 272.09 Management, maintenance, and upkeep of Capitol
 216 Center.—

217 (1) For purposes of this section, the term "Capitol
 218 Complex" means the portion of the Capitol Center commonly
 219 referred to as the Capitol, the Historic Capitol, the Senate
 220 Office Building, the House Office Building, the Knott Building,
 221 the Pepper Building, the Holland Building, the former Elliot
 222 Building property, the R.A. Gray Building, the Mayo Building,
 223 and the associated parking garages and curtilage of each,
 224 including the state-owned lands and public streets adjacent
 225 thereto within an area bounded by and including Calhoun Street,

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226 Meridian Street, East Pensacola Street, Monroe Street, Jefferson
 227 Street, West Pensacola Street, Martin Luther King Jr. Boulevard,
 228 and Gaines Street. The term does not include the Supreme Court
 229 Building or the public streets adjacent thereto. The Mayo
 230 Building, its associated parking garage, and the portion of the
 231 Capitol Complex existing between and including the former Elliot
 232 Building property and the Holland Building within an area
 233 bounded by and including Monroe Street, Gaines Street, Calhoun
 234 Street, and East Pensacola Street shall be known as "Memorial
 235 Park."

236 (2) The management, maintenance, and upkeep of the Capitol
 237 Center as described in s. 272.03 are hereby vested in and made
 238 the direct obligation of the Department of Management Services,
 239 which shall have authority to do all things necessary to
 240 satisfactorily accomplish these functions, including the
 241 employment of a superintendent of grounds and buildings and
 242 other employees; the establishment of central repair and
 243 maintenance shops; and the designation or appointment of
 244 nonsalaried advisory committees to advise with them. The
 245 department shall begin management, maintenance, and upkeep of
 246 the Mayo Building after the Department of Agriculture and
 247 Consumer Services vacates the building.

248 (4) (a) Before the Department of Management Services may
 249 plan for or schedule any project that impacts space occupied by
 250 a permanent tenant of the Capitol Center other than the

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251 Governor, the department must consult with the tenant and
 252 receive the tenant's approval on the scope, design, and timeline
 253 of the project. For purposes of space in which the Legislature
 254 is the tenant, the Department of Management Services must
 255 coordinate with and receive approval from the President of the
 256 Senate or the Speaker of the House of Representatives, or both,
 257 as appropriate. For any project that impacts space in which the
 258 Legislature is the tenant, the Department of Management Services
 259 must consider the schedule, time constraints, and needs of the
 260 Legislature.

261 (b) The President of the Senate and the Speaker of the
 262 House of Representatives may design, redesign, renovate, or
 263 upgrade any space allocated to his or her chamber in which the
 264 Senate or the House of Representatives is the tenant without
 265 approval by the Department of Management Services.

266 (c) The Department of Management Services must consult
 267 with and receive approval from the President of the Senate or
 268 the Speaker of the House of Representatives, or both, as
 269 appropriate, before including in the report required under
 270 subsection (3) any project that impacts any space in the Capitol
 271 Complex in which the Legislature is the tenant.

272 **Section 6. Subsection (3) of section 272.121, Florida**
 273 **Statutes, is amended to read:**

274 272.121 Capitol Center long-range planning.—

275 (3) In carrying out the provisions of the foregoing, the

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276 department shall request the cooperation of those state and
 277 private architects, engineers, and interior designers determined
 278 by the department to possess expertise or information helpful to
 279 the development of a Capitol Plan and solicit and accept
 280 information, suggestions, and recommendations from all
 281 interested parties. The department must solicit feedback from
 282 all permanent tenants of the Capitol Center, including the
 283 Governor, the Chief Financial Officer, the Attorney General, the
 284 Commissioner of Agriculture, the President of the Senate, and
 285 the Speaker of the House of Representatives.

286 **Section 7. Subsection (2) of section 272.16, Florida**
 287 **Statutes, is amended to read:**

288 272.16 Parking areas within Capitol Center area.—

289 (2) (a) The presiding officer of each house of the
 290 Legislature shall be responsible for the assignment of parking
 291 spaces in its respective office building.

292 (b) The parking spaces allocated to the Legislature on or
 293 after January 1, 2026, may not be reduced or reassigned without
 294 the express consent of the Legislature. If additional parking
 295 spaces become available for assignment, the Legislature has the
 296 first right of refusal for the use of the parking spaces.

297 **Section 8. Subsections (19) through (29) of section**
 298 **287.012, Florida Statutes, are renumbered as subsections (18)**
 299 **through (28), respectively, and present subsections (18) and**
 300 **(19) of that section are amended to read:**

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301 287.012 Definitions.—As used in this part, the term:
 302 ~~(18) "Minority business enterprise" has the same meaning~~
 303 ~~as provided in s. 288.703.~~
 304 (18)(19) "Office" means the Office of Supplier Development
 305 Diversity of the Department of Management Services.
 306 **Section 9. Paragraphs (a) and (c) of subsection (2) and**
 307 **paragraphs (b) and (c) of subsection (3) of section 287.042,**
 308 **Florida Statutes, are amended to read:**
 309 287.042 Powers, duties, and functions.—The department
 310 shall have the following powers, duties, and functions:
 311 (2) (a) To establish purchasing agreements and procure
 312 state term contracts for commodities and contractual services,
 313 pursuant to s. 287.057, under which state agencies shall, and
 314 eligible users may, make purchases pursuant to s. 287.056. The
 315 department may restrict purchases from some term contracts to
 316 state agencies only for those term contracts where the inclusion
 317 of other governmental entities will have an adverse effect on
 318 competition or to those federal facilities located in this
 319 state. ~~In such planning or purchasing the Office of Supplier~~
 320 ~~Diversity may monitor to ensure that opportunities are afforded~~
 321 ~~for contracting with minority business enterprises. The~~
 322 ~~department, for state term contracts, and all agencies, for~~
 323 ~~multiyear contractual services or term contracts, shall explore~~
 324 ~~reasonable and economical means to utilize certified minority~~
 325 ~~business enterprises.~~ Purchases by any county, municipality,

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326 private nonprofit community transportation coordinator
 327 designated pursuant to chapter 427, while conducting business
 328 related solely to the Commission for the Transportation
 329 Disadvantaged, or other local public agency under the provisions
 330 in the state purchasing contracts, and purchases, from the
 331 corporation operating the correctional work programs, of
 332 products or services that are subject to paragraph (1)(f), are
 333 exempt from the competitive solicitation requirements otherwise
 334 applying to their purchases.
 335 (c) Any person who files an action protesting a decision
 336 or intended decision pertaining to contracts administered by the
 337 department, a water management district, or an agency pursuant
 338 to s. 120.57(3)(b) shall post with the department, the water
 339 management district, or the agency at the time of filing the
 340 formal written protest a bond payable to the department, the
 341 water management district, or agency in an amount equal to 1
 342 percent of the estimated contract amount. For protests of
 343 decisions or intended decisions pertaining to exceptional
 344 purchases, the bond shall be in an amount equal to 1 percent of
 345 the estimated contract amount for the exceptional purchase. The
 346 estimated contract amount shall be based upon the contract price
 347 submitted by the protestor or, if no contract price was
 348 submitted, the department, water management district, or agency
 349 shall estimate the contract amount based on factors including,
 350 but not limited to, the price of previous or existing contracts

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351 for similar commodities or contractual services, the amount
 352 appropriated by the Legislature for the contract, or the fair
 353 market value of similar commodities or contractual services. The
 354 agency shall provide the estimated contract amount to the vendor
 355 within 72 hours, excluding Saturdays, Sundays, and state
 356 holidays, after the filing of the notice of protest by the
 357 vendor. The estimated contract amount is not subject to protest
 358 pursuant to s. 120.57(3). The bond shall be conditioned upon the
 359 payment of all costs and charges that are adjudged against the
 360 protestor in the administrative hearing in which the action is
 361 brought and in any subsequent appellate court proceeding. In
 362 lieu of a bond, the department, the water management district,
 363 or agency may, in either case, accept a cashier's check,
 364 official bank check, or money order in the amount of the bond.
 365 If, after completion of the administrative hearing process and
 366 any appellate court proceedings, the department, water
 367 management district, or agency prevails, it shall recover all
 368 costs and charges which shall be included in the final order or
 369 judgment, excluding attorney ~~attorney's~~ fees. ~~This section shall~~
 370 ~~not apply to protests filed by the Office of Supplier Diversity.~~
 371 Upon payment of such costs and charges by the protestor, the
 372 bond, cashier's check, official bank check, or money order shall
 373 be returned to the protestor. If, after the completion of the
 374 administrative hearing process and any appellate court
 375 proceedings, the protestor prevails, the protestor shall recover

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376 from the department, water management district, or agency all
 377 costs and charges which shall be included in the final order or
 378 judgment, excluding attorney ~~attorney's~~ fees.
 379 (3) To establish a system of coordinated, uniform
 380 procurement policies, procedures, and practices to be used by
 381 agencies in acquiring commodities and contractual services,
 382 which shall include, but not be limited to:
 383 (b)1. Development of procedures for advertising
 384 solicitations. These procedures must provide for electronic
 385 posting of solicitations for at least 10 days before the date
 386 set for receipt of bids, proposals, or replies, unless the
 387 department or other agency determines in writing that a shorter
 388 period of time is necessary to avoid harming the interests of
 389 the state. ~~The Office of Supplier Diversity may consult with the~~
 390 ~~department regarding the development of solicitation~~
 391 ~~distribution procedures to ensure that maximum distribution is~~
 392 ~~afforded to certified minority business enterprises as defined~~
 393 ~~in s. 288.703.~~
 394 2. Development of procedures for electronic posting. The
 395 department shall designate a centralized website on the Internet
 396 for the department and other agencies to electronically post
 397 solicitations, decisions or intended decisions, and other
 398 matters relating to procurement.
 399 (c) Development of procedures for the receipt and opening
 400 of bids, proposals, or replies by an agency. ~~Such procedures~~

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401 ~~shall provide the Office of Supplier Diversity an opportunity to~~
 402 ~~monitor and ensure that the contract award is consistent with~~
 403 ~~the requirements of s. 287.09451.~~

404 **Section 10.** Section 287.0943, Florida Statutes, is
 405 repealed.

406 **Section 11.** Section 287.09431, Florida Statutes, is
 407 repealed.

408 **Section 12. Section 287.09451, Florida Statutes, is**
 409 **amended to read:**

410 287.09451 Office of Supplier Development Diversity;
 411 powers, duties, and functions.—

412 ~~(1) The Legislature finds that there is evidence of a~~
 413 ~~systematic pattern of past and continuing racial discrimination~~
 414 ~~against minority business enterprises and a disparity in the~~
 415 ~~availability and use of minority business enterprises in the~~
 416 ~~state procurement system. It is determined to be a compelling~~
 417 ~~state interest to rectify such discrimination and disparity.~~
 418 ~~Based upon statistical data profiling this discrimination, the~~
 419 ~~Legislature has enacted race-conscious and gender-conscious~~
 420 ~~remedial programs to ensure minority participation in the~~
 421 ~~economic life of the state, in state contracts for the purchase~~
 422 ~~of commodities and services, and in construction contracts. The~~
 423 ~~purpose and intent of this section is to increase participation~~
 424 ~~by minority business enterprises accomplished by encouraging the~~
 425 ~~use of minority business enterprises and the entry of new and~~

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426 ~~diversified minority business enterprises into the marketplace.~~

427 (1)(2) The Office of Supplier Development Diversity is
 428 established within the Department of Management Services to
 429 assist Florida-based small minority business enterprises in
 430 becoming suppliers of commodities, services, and construction to
 431 state government.

432 (2)(3) The secretary shall appoint an executive director
 433 for the Office of Supplier Development Diversity, who shall
 434 serve at the pleasure of the secretary.

435 (3)(4) The Office of Supplier Development Diversity shall
 436 have the following powers, duties, and functions:

437 (a) To receive and disseminate information:

438 1. For the continued growth and success of Florida's small
 439 businesses, which may include the planning, hosting, and support
 440 of events for Florida-based small business enterprises.

441 2. Related to procurement opportunities for Florida-based
 442 small business enterprises.

443 (b) To create electronic certification and recertification
 444 processes for veteran-owned small business enterprises. The
 445 certifications must be valid for 2 years and must be recertified
 446 every 2 years thereafter. The benefits of certification must be
 447 clearly posted on the department's website. To be eligible for
 448 certification and recertification as a veteran-owned business
 449 enterprise, a business must meet the requirements of s. 295.187.

450 (c) To advise and provide education or other resources to

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451 agencies on methods and techniques for achieving procurement
 452 objectives that increase the use of Florida-based small business
 453 enterprises in state and local government procurement contracts.

454 (d) To adopt rules, establish processes, and prescribe and
 455 publish forms as necessary to carry out the duties provided in
 456 this section.

457 ~~(a) To adopt rules to determine what constitutes a "good~~
 458 ~~faith effort" for purposes of state agency compliance with the~~
 459 ~~minority business enterprise procurement goals set forth in s.~~
 460 ~~287.042. Factors which shall be considered by the Minority~~
 461 ~~Business Enterprise Assistance Office in determining good faith~~
 462 ~~effort shall include, but not be limited to:~~

463 ~~1. Whether the agency scheduled presolicitation or prebid~~
 464 ~~meetings for the purpose of informing minority business~~
 465 ~~enterprises of contracting and subcontracting opportunities.~~

466 ~~2. Whether the contractor advertised in general~~
 467 ~~circulation, trade association, or minority-focus media~~
 468 ~~concerning the subcontracting opportunities.~~

469 ~~3. Whether the agency effectively used services and~~
 470 ~~resources of available minority community organizations;~~
 471 ~~minority contractors' groups; local, state, and federal minority~~
 472 ~~business assistance offices; and other organizations that~~
 473 ~~provide assistance in the recruitment and placement of minority~~
 474 ~~business enterprises or minority persons.~~

475 ~~4. Whether the agency provided written notice to a~~

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476 ~~reasonable number of minority business enterprises that their~~
 477 ~~interest in contracting with the agency was being solicited in~~
 478 ~~sufficient time to allow the minority business enterprises to~~
 479 ~~participate effectively.~~

480 ~~(b) To adopt rules to determine what constitutes a "good~~
 481 ~~faith effort" for purposes of contractor compliance with~~
 482 ~~contractual requirements relating to the use of services or~~
 483 ~~commodities of a minority business enterprise under s.~~
 484 ~~287.094(2). Factors which shall be considered by the Office of~~
 485 ~~Supplier Diversity in determining whether a contractor has made~~
 486 ~~good faith efforts shall include, but not be limited to:~~

487 ~~1. Whether the contractor attended any presolicitation or~~
 488 ~~prebid meetings that were scheduled by the agency to inform~~
 489 ~~minority business enterprises of contracting and subcontracting~~
 490 ~~opportunities.~~

491 ~~2. Whether the contractor advertised in general~~
 492 ~~circulation, trade association, or minority-focus media~~
 493 ~~concerning the subcontracting opportunities.~~

494 ~~3. Whether the contractor provided written notice to a~~
 495 ~~reasonable number of specific minority business enterprises that~~
 496 ~~their interest in the contract was being solicited in sufficient~~
 497 ~~time to allow the minority business enterprises to participate~~
 498 ~~effectively.~~

499 ~~4. Whether the contractor followed up initial~~
 500 ~~solicitations of interest by contacting minority business~~

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501 ~~enterprises or minority persons to determine with certainty~~
 502 ~~whether the minority business enterprises or minority persons~~
 503 ~~were interested.~~

504 ~~5. Whether the contractor selected portions of the work to~~
 505 ~~be performed by minority business enterprises in order to~~
 506 ~~increase the likelihood of meeting the minority business~~
 507 ~~enterprise procurement goals, including, where appropriate,~~
 508 ~~breaking down contracts into economically feasible units to~~
 509 ~~facilitate minority business enterprise participation.~~

510 ~~6. Whether the contractor provided interested minority~~
 511 ~~business enterprises or minority persons with adequate~~
 512 ~~information about the plans, specifications, and requirements of~~
 513 ~~the contract or the availability of jobs.~~

514 ~~7. Whether the contractor negotiated in good faith with~~
 515 ~~interested minority business enterprises or minority persons,~~
 516 ~~not rejecting minority business enterprises or minority persons~~
 517 ~~as unqualified without sound reasons based on a thorough~~
 518 ~~investigation of their capabilities.~~

519 ~~8. Whether the contractor effectively used the services of~~
 520 ~~available minority community organizations; minority~~
 521 ~~contractors' groups; local, state, and federal minority business~~
 522 ~~assistance offices; and other organizations that provide~~
 523 ~~assistance in the recruitment and placement of minority business~~
 524 ~~enterprises or minority persons.~~

525 ~~(e) To adopt rules and do all things necessary or~~

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526 ~~convenient to guide all state agencies toward making~~
 527 ~~expenditures for commodities, contractual services,~~
 528 ~~construction, and architectural and engineering services with~~
 529 ~~certified minority business enterprises in accordance with the~~
 530 ~~minority business enterprise procurement goals set forth in s.~~
 531 ~~287.042.~~

532 ~~(d) To monitor the degree to which agencies procure~~
 533 ~~services, commodities, and construction from minority business~~
 534 ~~enterprises in conjunction with the Department of Financial~~
 535 ~~Services as specified in s. 17.11.~~

536 ~~(e) To receive and disseminate information relative to~~
 537 ~~procurement opportunities, availability of minority business~~
 538 ~~enterprises, and technical assistance.~~

539 ~~(f) To advise agencies on methods and techniques for~~
 540 ~~achieving procurement objectives.~~

541 ~~(g) To provide a central minority business enterprise~~
 542 ~~certification process which includes independent verification of~~
 543 ~~status as a minority business enterprise.~~

544 ~~(h) To develop procedures to investigate complaints~~
 545 ~~against minority business enterprises or contractors alleged to~~
 546 ~~violate any provision related to this section or s. 287.0943,~~
 547 ~~that may include visits to worksites or business premises, and~~
 548 ~~to refer all information on businesses suspected of~~
 549 ~~misrepresenting minority status to the Department of Management~~
 550 ~~Services for investigation. When an investigation is completed~~

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551 ~~and there is reason to believe that a violation has occurred,~~
 552 ~~the matter shall be referred to the office of the Attorney~~
 553 ~~General, Department of Legal Affairs, for prosecution.~~

554 ~~(i) To maintain a directory of all minority business~~
 555 ~~enterprises which have been certified and provide this~~
 556 ~~information to any agency or business requesting it.~~

557 ~~(j) To encourage all firms which do more than \$1 million~~
 558 ~~in business with the state within a 12-month period to develop,~~
 559 ~~implement, and submit to this office a minority business~~
 560 ~~development plan.~~

561 ~~(k) To communicate on a monthly basis with the Small and~~
 562 ~~Minority Business Advisory Council to keep the council informed~~
 563 ~~on issues relating to minority enterprise procurement.~~

564 ~~(l) To serve as an advocate for minority business~~
 565 ~~enterprises, and coordinate with the small and minority business~~
 566 ~~ombudsman, as defined in s. 288.703, which duties shall include:~~

567 ~~1. Ensuring that agencies supported by state funding~~
 568 ~~effectively target the delivery of services and resources, as~~
 569 ~~related to minority business enterprises.~~

570 ~~2. Establishing standards within each industry with which~~
 571 ~~the state government contracts on how agencies and contractors~~
 572 ~~may provide the maximum practicable opportunity for minority~~
 573 ~~business enterprises.~~

574 ~~3. Assisting agencies and contractors by providing~~
 575 ~~outreach to minority businesses, by specifying and monitoring~~

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576 ~~technical and managerial competence for minority business~~
 577 ~~enterprises, and by consulting in planning of agency procurement~~
 578 ~~to determine how best to provide opportunities for minority~~
 579 ~~business enterprises.~~

580 ~~4. Integrating technical and managerial assistance for~~
 581 ~~minority business enterprises with government contracting~~
 582 ~~opportunities.~~

583 ~~(m) To certify minority business enterprises, as defined~~
 584 ~~in s. 288.703, and as specified in ss. 287.0943 and 287.09431,~~
 585 ~~and shall recertify such minority businesses at least once every~~
 586 ~~2 years. Minority business enterprises must be recertified at~~
 587 ~~least once every 2 years. Such certifications may include an~~
 588 ~~electronic signature.~~

589 ~~(n) 1. To develop procedures to be used by an agency in~~
 590 ~~identifying commodities, contractual services, architectural and~~
 591 ~~engineering services, and construction contracts, except those~~
 592 ~~architectural, engineering, construction, or other related~~
 593 ~~services or contracts subject to the provisions of chapter 339,~~
 594 ~~that could be provided by minority business enterprises. Each~~
 595 ~~agency is encouraged to spend 21 percent of the moneys actually~~
 596 ~~expended for construction contracts, 25 percent of the moneys~~
 597 ~~actually expended for architectural and engineering contracts,~~
 598 ~~24 percent of the moneys actually expended for commodities, and~~
 599 ~~50.5 percent of the moneys actually expended for contractual~~
 600 ~~services during the previous fiscal year, except for the state~~

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601 ~~university construction program which shall be based upon public~~
 602 ~~education capital outlay projections for the subsequent fiscal~~
 603 ~~year, and reported to the Legislature pursuant to s. 216.023,~~
 604 ~~for the purpose of entering into contracts with certified~~
 605 ~~minority business enterprises as defined in s. 288.703, or~~
 606 ~~approved joint ventures. However, in the event of budget~~
 607 ~~reductions pursuant to s. 216.221, the base amounts may be~~
 608 ~~adjusted to reflect such reductions. The overall spending goal~~
 609 ~~for each industry category shall be subdivided as follows:~~
 610 ~~a. For construction contracts: 4 percent for black~~
 611 ~~Americans, 6 percent for Hispanic-Americans, and 11 percent for~~
 612 ~~American women.~~
 613 ~~b. For architectural and engineering contracts: 9 percent~~
 614 ~~for Hispanic-Americans, 1 percent for Asian-Americans, and 15~~
 615 ~~percent for American women.~~
 616 ~~c. For commodities: 2 percent for black Americans, 4~~
 617 ~~percent for Hispanic-Americans, 0.5 percent for Asian-Americans,~~
 618 ~~0.5 percent for Native Americans, and 17 percent for American~~
 619 ~~women.~~
 620 ~~d. For contractual services: 6 percent for black~~
 621 ~~Americans, 7 percent for Hispanic-Americans, 1 percent for~~
 622 ~~Asian-Americans, 0.5 percent for Native Americans, and 36~~
 623 ~~percent for American women.~~
 624 ~~2. For the purposes of commodities contracts for the~~
 625 ~~purchase of equipment to be used in the construction and~~

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626 ~~maintenance of state transportation facilities involving the~~
 627 ~~Department of Transportation, the terms "minority business~~
 628 ~~enterprise" and "minority person" have the same meanings as~~
 629 ~~provided in s. 288.703. In order to ensure that the goals~~
 630 ~~established under this paragraph for contracting with certified~~
 631 ~~minority business enterprises are met, the department, with the~~
 632 ~~assistance of the Office of Supplier Diversity, shall make~~
 633 ~~recommendations to the Legislature on revisions to the goals,~~
 634 ~~based on an updated statistical analysis, at least once every 5~~
 635 ~~years. Such recommendations shall be based on statistical data~~
 636 ~~indicating the availability of and disparity in the use of~~
 637 ~~minority businesses contracting with the state.~~
 638 ~~3. In determining the base amounts for assessing~~
 639 ~~compliance with this paragraph, the Office of Supplier Diversity~~
 640 ~~may develop, by rule, guidelines for all agencies to use in~~
 641 ~~establishing such base amounts. These rules must include, but~~
 642 ~~are not limited to, guidelines for calculation of base amounts,~~
 643 ~~a deadline for the agencies to submit base amounts, a deadline~~
 644 ~~for approval of the base amounts by the Office of Supplier~~
 645 ~~Diversity, and procedures for adjusting the base amounts as a~~
 646 ~~result of budget reductions made pursuant to s. 216.221.~~
 647 ~~4. To determine guidelines for the use of price~~
 648 ~~preferences, weighted preference formulas, or other preferences,~~
 649 ~~as appropriate to the particular industry or trade, to increase~~
 650 ~~the participation of minority businesses in state contracting.~~

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651 ~~These guidelines shall include consideration of:~~

652 a. ~~Size and complexity of the project.~~

653 b. ~~The concentration of transactions with minority~~

654 ~~business enterprises for the commodity or contractual services~~

655 ~~in question in prior agency contracting.~~

656 c. ~~The specificity and definition of work allocated to~~

657 ~~participating minority business enterprises.~~

658 d. ~~The capacity of participating minority business~~

659 ~~enterprises to complete the tasks identified in the project.~~

660 e. ~~The available pool of minority business enterprises as~~

661 ~~prime contractors, either alone or as partners in an approved~~

662 ~~joint venture that serves as the prime contractor.~~

663 5. ~~To determine guidelines for use of joint ventures to~~

664 ~~meet minority business enterprises spending goals. For purposes~~

665 ~~of this section, "joint venture" means any association of two or~~

666 ~~more business concerns to carry out a single business enterprise~~

667 ~~for profit, for which purpose they combine their property,~~

668 ~~capital, efforts, skills, and knowledge. The guidelines shall~~

669 ~~allow transactions with joint ventures to be eligible for credit~~

670 ~~against the minority business enterprise goals of an agency when~~

671 ~~the contracting joint venture demonstrates that at least one~~

672 ~~partner to the joint venture is a certified minority business~~

673 ~~enterprise as defined in s. 288.703, and that such partner is~~

674 ~~responsible for a clearly defined portion of the work to be~~

675 ~~performed, and shares in the ownership, control, management,~~

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676 ~~responsibilities, risks, and profits of the joint venture. Such~~

677 ~~demonstration shall be by verifiable documents and sworn~~

678 ~~statements and may be reviewed by the Office of Supplier~~

679 ~~Diversity at or before the time a contract bid, proposal, or~~

680 ~~reply is submitted. An agency may count toward its minority~~

681 ~~business enterprise goals a portion of the total dollar amount~~

682 ~~of a contract equal to the percentage of the ownership and~~

683 ~~control held by the qualifying certified minority business~~

684 ~~partners in the contracting joint venture, so long as the joint~~

685 ~~venture meets the guidelines adopted by the office.~~

686 ~~(c)1. To establish a system to record and measure the use~~

687 ~~of certified minority business enterprises in state contracting.~~

688 ~~This system shall maintain information and statistics on~~

689 ~~certified minority business enterprise participation, awards,~~

690 ~~dollar volume of expenditures and agency goals, and other~~

691 ~~appropriate types of information to analyze progress in the~~

692 ~~access of certified minority business enterprises to state~~

693 ~~contracts and to monitor agency compliance with this section.~~

694 ~~Such reporting must include, but is not limited to, the~~

695 ~~identification of all subcontracts in state contracting by~~

696 ~~dollar amount and by number of subcontracts and the~~

697 ~~identification of the utilization of certified minority business~~

698 ~~enterprises as prime contractors and subcontractors by dollar~~

699 ~~amounts of contracts and subcontracts, number of contracts and~~

700 ~~subcontracts, minority status, industry, and any conditions or~~

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701 ~~circumstances that significantly affected the performance of~~
 702 ~~subcontractors. Agencies shall report their compliance with the~~
 703 ~~requirements of this reporting system at least annually and at~~
 704 ~~the request of the office. All agencies shall cooperate with the~~
 705 ~~office in establishing this reporting system. Except in~~
 706 ~~construction contracting, all agencies shall review contracts~~
 707 ~~costing in excess of CATEGORY FOUR as defined in s. 287.017 to~~
 708 ~~determine if such contracts could be divided into smaller~~
 709 ~~contracts to be separately solicited and awarded, and shall,~~
 710 ~~when economical, offer such smaller contracts to encourage~~
 711 ~~minority participation.~~

712 ~~2. To report agency compliance with the provisions of~~
 713 ~~subparagraph 1. for the preceding fiscal year to the Governor~~
 714 ~~and Cabinet, the President of the Senate, and the Speaker of the~~
 715 ~~House of Representatives on or before February 1 of each year.~~
 716 ~~The report must contain, at a minimum, the following:~~

- 717 ~~a. Total expenditures of each agency by industry.~~
 718 ~~b. The dollar amount and percentage of contracts awarded~~
 719 ~~to certified minority business enterprises by each state agency.~~
 720 ~~c. The dollar amount and percentage of contracts awarded~~
 721 ~~indirectly to certified minority business enterprises as~~
 722 ~~subcontractors by each state agency.~~
 723 ~~d. The total dollar amount and percentage of contracts~~
 724 ~~awarded to certified minority business enterprises, whether~~
 725 ~~directly or indirectly, as subcontractors.~~

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726 ~~e. A statement and assessment of good faith efforts taken~~
 727 ~~by each state agency.~~

728 ~~f. A status report of agency compliance with subsection~~
 729 ~~(6), as determined by the Minority Business Enterprise Office.~~

730 ~~(5)(a) Each agency shall, at the time the specifications~~
 731 ~~or designs are developed or contract sizing is determined for~~
 732 ~~any proposed procurement costing in excess of CATEGORY FOUR, as~~
 733 ~~defined in s. 287.017, forward a notice to the Office of~~
 734 ~~Supplier Diversity of the proposed procurement and any~~
 735 ~~determination on the designs of specifications of the proposed~~
 736 ~~procurement that impose requirements on prospective vendors, no~~
 737 ~~later than 30 days prior to the issuance of a solicitation,~~
 738 ~~except that this provision shall not apply to emergency~~
 739 ~~acquisitions. The 30-day notice period shall not toll the time~~
 740 ~~for any other procedural requirements.~~

741 ~~(b) If the Office of Supplier Diversity determines that~~
 742 ~~the proposed procurement will not likely allow opportunities for~~
 743 ~~minority business enterprises, the office may, within 20 days~~
 744 ~~after it receives the information specified in paragraph (a),~~
 745 ~~propose the implementation of minority business enterprise~~
 746 ~~utilization provisions or submit alternative procurement methods~~
 747 ~~that would significantly increase minority business enterprise~~
 748 ~~contracting opportunities.~~

749 ~~(c) Whenever the agency and the Office of Supplier~~
 750 ~~Diversity disagree, the matter shall be submitted for~~

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751 ~~determination to the head of the agency or the senior level~~
 752 ~~official designated pursuant to this section as liaison for~~
 753 ~~minority business enterprise issues.~~

754 ~~(d) If the proposed procurement proceeds to competitive~~
 755 ~~solicitation, the office is hereby granted standing to protest,~~
 756 ~~pursuant to this section, in a timely manner, any contract award~~
 757 ~~during competitive solicitation for contractual services and~~
 758 ~~construction contracts that fail to include minority business~~
 759 ~~enterprise participation, if any responsible and responsive~~
 760 ~~vendor has demonstrated the ability to achieve any level of~~
 761 ~~participation, or, any contract award for commodities where, a~~
 762 ~~reasonable and economical opportunity to reserve a contract,~~
 763 ~~statewide or district level, for minority participation was not~~
 764 ~~executed or, an agency failed to adopt an applicable preference~~
 765 ~~for minority participation. The bond requirement shall be waived~~
 766 ~~for the office purposes of this subsection.~~

767 ~~(e) An agency may presume that a vendor offering no~~
 768 ~~minority participation has not made a good faith effort when~~
 769 ~~other vendors offer minority participation of firms listed as~~
 770 ~~relevant to the agency's purchasing needs in the pertinent~~
 771 ~~locality or statewide to complete the project.~~

772 ~~(f) Paragraph (a) will not apply when the Office of~~
 773 ~~Supplier Diversity determines that an agency has established a~~
 774 ~~work plan to allow advance consultation and planning with~~
 775 ~~minority business enterprises and where such plan clearly~~

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776 ~~demonstrates:~~

777 ~~1. A high level of advance planning by the agency with~~
 778 ~~minority business enterprises.~~

779 ~~2. A high level of accessibility, knowledge, and~~
 780 ~~experience by minority business enterprises in the agency's~~
 781 ~~contract decisionmaking process.~~

782 ~~3. A high quality of agency monitoring and enforcement of~~
 783 ~~internal implementation of minority business utilization~~
 784 ~~provisions.~~

785 ~~4. A high quality of agency monitoring and enforcement of~~
 786 ~~contractor utilization of minority business enterprises,~~
 787 ~~especially tracking subcontractor data, and ensuring the~~
 788 ~~integrity of subcontractor reporting.~~

789 ~~5. A high quality of agency outreach, agency networking of~~
 790 ~~major vendors with minority vendors, and innovation in~~
 791 ~~techniques to improve utilization of minority business~~
 792 ~~enterprises.~~

793 ~~6. Substantial commitment, sensitivity, and proactive~~
 794 ~~attitude by the agency head and among the agency minority~~
 795 ~~business staff.~~

796 ~~(6) Each state agency shall coordinate its minority~~
 797 ~~business enterprise procurement activities with the Office of~~
 798 ~~Supplier Diversity. At a minimum, each agency shall:~~

799 ~~(a) Adopt a minority business enterprise utilization plan~~
 800 ~~for review and approval by the Office of Supplier Diversity~~

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801 ~~which should require meaningful and useful methods to attain the~~
 802 ~~legislative intent in assisting minority business enterprises.~~

803 ~~(b) Designate a senior-level employee in the agency as a~~
 804 ~~minority enterprise assistance officer, responsible for~~
 805 ~~overseeing the agency's minority business utilization~~
 806 ~~activities, and who is not also charged with purchasing~~
 807 ~~responsibility. A senior-level agency employee and agency~~
 808 ~~purchasing officials shall be accountable to the agency head for~~
 809 ~~the agency's minority business utilization performance. The~~
 810 ~~Office of Supplier Diversity shall advise each agency on~~
 811 ~~compliance performance.~~

812 ~~(c) If an agency deviates significantly from its~~
 813 ~~utilization plan in 2 consecutive or 3 out of 5 total fiscal~~
 814 ~~years, the Office of Supplier Diversity may review any and all~~
 815 ~~solicitations and contract awards of the agency as deemed~~
 816 ~~necessary until such time as the agency meets its utilization~~
 817 ~~plan.~~

818 **Section 13.** Section 287.0947, Florida Statutes, is
 819 repealed.

820 **Section 14. Subsections (2), (10), and (11) of section**
 821 **288.706, Florida Statutes, are amended to read:**

822 288.706 Florida Minority Business Loan Mobilization
 823 Program.—

824 (2) The Florida Minority Business Loan Mobilization
 825 Program is created to promote the development of minority

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826 business enterprises, as defined in s. 288.703(2) ~~s. 288.703(3)~~,
 827 increase the ability of minority business enterprises to compete
 828 for state contracts, and sustain the economic growth of minority
 829 business enterprises in this state. The goal of the program is
 830 to assist minority business enterprises by facilitating working
 831 capital loans to minority business enterprises that are vendors
 832 on state agency contracts. ~~The Department of Management Services~~
 833 ~~shall administer the program.~~

834 ~~(10) The Department of Management Services shall maintain~~
 835 ~~a listing of financial institutions willing to participate in~~
 836 ~~the Florida Minority Business Loan Mobilization Program. This~~
 837 ~~list of financial institutions shall not be exclusive. A~~
 838 ~~minority business enterprise vendor who has a working~~
 839 ~~relationship with a financial institution is encouraged to~~
 840 ~~request that the financial institution apply to participate as a~~
 841 ~~financial institution for the program.~~

842 ~~(11) The Department of Management Services shall~~
 843 ~~collaborate with the department to assist in the development and~~
 844 ~~enhancement of black business enterprises.~~

845 **Section 15. Subsection (18) of section 318.18, Florida**
 846 **Statutes, is amended to read:**

847 318.18 Amount of penalties.—The penalties required for a
 848 noncriminal disposition pursuant to s. 318.14 or a criminal
 849 offense listed in s. 318.17 are as follows:

850 (18) In addition to any penalties imposed, a surcharge of

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851 \$3 must be paid for all criminal offenses listed in s. 318.17
 852 and for all noncriminal moving traffic violations under chapter
 853 316. Revenue from the surcharge shall be remitted to the
 854 Department of Revenue and deposited quarterly into the State
 855 Agency Law Enforcement Radio System Trust Fund of the Department
 856 of Management Services for the state agency law enforcement
 857 radio system, as described in s. 282.709, and to provide
 858 technical assistance to state agencies and local law enforcement
 859 agencies with their statewide systems of regional law
 860 enforcement communications, as described in s. 282.7101. ~~This~~
 861 ~~subsection expires July 1, 2026.~~ The Department of Management
 862 Services may retain funds sufficient to recover the costs and
 863 expenses incurred for managing, administering, and overseeing
 864 the Statewide Law Enforcement Radio System, and providing
 865 technical assistance to state agencies and local law enforcement
 866 agencies with their statewide systems of regional law
 867 enforcement communications. The Department of Management
 868 Services working in conjunction with the Joint Task Force on
 869 State Agency Law Enforcement Communications shall determine and
 870 direct the purposes for which these funds are used to enhance
 871 and improve the radio system.

872 **Section 16. Subsection (17) of section 318.21, Florida**
 873 **Statutes, is amended to read:**

874 318.21 Disposition of civil penalties by county courts.—
 875 All civil penalties received by a county court pursuant to the

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876 provisions of this chapter shall be distributed and paid monthly
 877 as follows:

878 (17) Notwithstanding subsections (1) and (2), the proceeds
 879 from the administrative fee imposed under s. 318.18(18) shall be
 880 distributed as provided in that subsection. ~~This subsection~~
 881 ~~expires July 1, 2026.~~

882 **Section 17. Subsection (2) of section 17.11, Florida**
 883 **Statutes, is amended to read:**

884 17.11 To report disbursements made.—

885 (2) The Chief Financial Officer shall also cause to have
 886 reported from the Florida Accounting Information Resource
 887 Subsystem no less than quarterly the disbursements which
 888 agencies made to small businesses, as defined in the Florida
 889 Small and Minority Business Assistance Act; to certified
 890 minority business enterprises in the aggregate; and to certified
 891 minority business enterprises broken down into categories of
 892 minority persons, as well as gender and nationality subgroups.
 893 This information shall be made available to the agencies, the
 894 Office of Supplier Development Diversity, the Governor, the
 895 President of the Senate, and the Speaker of the House of
 896 Representatives. Each agency shall be responsible for the
 897 accuracy of information entered into the Florida Accounting
 898 Information Resource Subsystem for use in this reporting.

899 **Section 18. Subsection (1) of section 24.113, Florida**
 900 **Statutes, is amended to read:**

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901 24.113 Minority participation.—
 902 (1) It is the intent of the Legislature that the
 903 department encourage participation by minority business
 904 enterprises as defined in s. 288.703. Accordingly, 15 percent of
 905 the retailers shall be minority business enterprises as defined
 906 in s. 288.703(2) ~~s. 288.703(3)~~; however, no more than 35 percent
 907 of such retailers shall be owned by the same type of minority
 908 person, as defined in s. 288.703(3) ~~s. 288.703(4)~~. The
 909 ~~department is encouraged to meet the minority business~~
 910 ~~enterprise procurement goals set forth in s. 287.09451 in the~~
 911 ~~procurement of commodities, contractual services, construction,~~
 912 ~~and architectural and engineering services.~~ This section shall
 913 not preclude or prohibit a minority person from competing for
 914 any other retailing or vending agreement awarded by the
 915 department.

916 **Section 19. Paragraph (g) of subsection (3) of section**
 917 **212.096, Florida Statutes, is amended to read:**
 918 212.096 Sales, rental, storage, use tax; enterprise zone
 919 jobs credit against sales tax.—
 920 (3) In order to claim this credit, an eligible business
 921 must file under oath with the governing body or enterprise zone
 922 development agency having jurisdiction over the enterprise zone
 923 where the business is located, as applicable, a statement which
 924 includes:
 925 (g) Whether the business is a small business as defined by

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926 s. 288.703(5) ~~s. 288.703(6)~~.
 927 **Section 20. Subsection (1) of section 255.101, Florida**
 928 **Statutes, is amended to read:**
 929 255.101 Contracts for public construction works;
 930 utilization of minority business enterprises.—
 931 (1) All county officials, boards of county commissioners,
 932 school boards, city councils, city commissioners, and all other
 933 public officers of state boards or commissions which are charged
 934 with the letting of contracts for public works and for the
 935 construction of public bridges, buildings, and other structures
 936 shall operate in accordance with s. 287.093, ~~except that all~~
 937 ~~contracts for the construction of state facilities should comply~~
 938 ~~with provisions in s. 287.09451, and rules adopted pursuant~~
 939 ~~thereto,~~ for the utilization of minority business enterprises.
 940 When construction is financed in whole or in part from federal
 941 funds and where federal provisions for utilization of minority
 942 business enterprises apply, this section shall not apply.

943 **Section 21. Subsections (1), (2), and (4) of section**
 944 **255.102, Florida Statutes, are amended to read:**
 945 255.102 Contractor utilization of minority business
 946 enterprises.—
 947 (1) Agencies shall consider the use of price preferences,
 948 weighted preference formulas, or other preferences for
 949 construction contracts, as determined appropriate by the Office
 950 of Supplier Development Diversity to increase minority

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951 participation.

952 (2) The Office of Supplier Development Diversity, in
 953 collaboration with the Board of Governors of the State
 954 University System, shall adopt rules to determine what is a
 955 "good faith effort" for purposes of contractor compliance with
 956 minority participation goals established for competitively
 957 awarded building and construction projects. Pro forma efforts
 958 shall not be considered good faith. Factors which shall be
 959 considered by the state agency in determining whether a
 960 contractor has made good faith efforts shall include, but not be
 961 limited to:

962 (a) Whether the contractor attended any presolicitation or
 963 prebid meetings that were scheduled by the agency to inform
 964 minority business enterprises of contracting and subcontracting
 965 opportunities.

966 (b) Whether the contractor advertised in general
 967 circulation, trade association, or minority-focus media
 968 concerning the subcontracting opportunities.

969 (c) Whether the contractor provided written notice to all
 970 relevant subcontractors listed on the minority vendor list for
 971 that locality and statewide as provided by the agency as of the
 972 date of issuance of the invitation to bid, that their interest
 973 in the contract was being solicited in sufficient time to allow
 974 the minority business enterprises to participate effectively.

975 (d) Whether the contractor followed up initial

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976 solicitations of interest by contacting minority business
 977 enterprises, the Office of Supplier Development Diversity, or
 978 minority persons who responded and provided detailed information
 979 about prebid meetings, access to plans, specifications,
 980 contractor's project manager, subcontractor bonding, if any,
 981 payment schedule, bid addenda, and other assistance provided by
 982 the contractor to enhance minority business enterprise
 983 participation.

984 (e) Whether the contractor selected portions of the work
 985 to be performed by minority business enterprises in order to
 986 increase the likelihood of meeting the minority business
 987 enterprise procurement goals, including, where appropriate,
 988 breaking down contracts into economically feasible units to
 989 facilitate minority business enterprise participation under
 990 reasonable and economical conditions of performance.

991 (f) Whether the contractor provided the Office of Supplier
 992 Development Diversity as well as interested minority business
 993 enterprises or minority persons with adequate information about
 994 the plans, specifications, and requirements of the contract or
 995 the availability of jobs at a time no later than when such
 996 information was provided to other subcontractors.

997 (g) Whether the contractor negotiated in good faith with
 998 interested minority business enterprises or minority persons,
 999 not rejecting minority business enterprises or minority persons
 1000 as unqualified without sound reasons based on a thorough

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1001 investigation of their capabilities or imposing implausible
 1002 conditions of performance on the contract.

1003 (h) Whether the contractor diligently seeks to replace a
 1004 minority business enterprise subcontractor that is unable to
 1005 perform successfully with another minority business enterprise.

1006 (i) Whether the contractor effectively used the services
 1007 of available minority community organizations; minority
 1008 contractors' groups; local, state, and federal minority business
 1009 assistance offices; and other organizations that provide
 1010 assistance in the recruitment and placement of minority business
 1011 enterprises or minority persons.

1012 (4) ~~Notwithstanding the provisions of s. 287.09451 to the~~
 1013 ~~contrary,~~ Agencies shall monitor good faith efforts of
 1014 contractors in competitively awarded building and construction
 1015 projects, in accordance with rules established pursuant to this
 1016 section. It is the responsibility of the contractor to exercise
 1017 good faith efforts in accordance with rules established pursuant
 1018 to this section, and to provide documentation necessary to
 1019 assess efforts to include minority business participation.

1020 **Section 22. Paragraph (d) of subsection (3) of section**
 1021 **287.055, Florida Statutes, is amended to read:**

1022 287.055 Acquisition of professional architectural,
 1023 engineering, landscape architectural, or surveying and mapping
 1024 services; definitions; procedures; contingent fees prohibited;
 1025 penalties.—

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1026 (3) PUBLIC ANNOUNCEMENT AND QUALIFICATION PROCEDURES.—

1027 (d) Each agency shall evaluate professional services,
 1028 including capabilities, adequacy of personnel, past record,
 1029 experience, whether the firm is a certified minority business
 1030 enterprise as defined by the Florida Small and Minority Business
 1031 Assistance Act, and other factors determined by the agency to be
 1032 applicable to its particular requirements. ~~When securing~~
 1033 ~~professional services, an agency must endeavor to meet the~~
 1034 ~~minority business enterprise procurement goals under s.~~
 1035 ~~287.09451.~~

1036 **Section 23. Subsections (7) and (8) of section 287.057,**
 1037 **Florida Statutes, are amended to read:**

1038 287.057 Procurement of commodities or contractual
 1039 services.—

1040 (7) Upon issuance of any solicitation, an agency shall,
 1041 upon request by the department, forward to the department one
 1042 copy of each solicitation for all commodity and contractual
 1043 services purchases in excess of the threshold amount provided in
 1044 s. 287.017 for CATEGORY TWO. An agency shall also, upon request,
 1045 furnish a copy of all competitive-solicitation tabulations. The
 1046 Office of Supplier Development Diversity may also request from
 1047 the agencies any information submitted to the department
 1048 pursuant to this subsection.

1049 (8) (a) ~~In order to strive to meet the minority business~~
 1050 ~~enterprise procurement goals set forth in s. 287.09451, An~~

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1051 agency may reserve any contract for competitive solicitation
 1052 only among ~~certified~~ minority business enterprises. Agencies
 1053 shall review all their contracts each fiscal year and shall
 1054 determine which contracts may be reserved for solicitation only
 1055 among ~~certified~~ minority business enterprises. This reservation
 1056 may only be used when it is determined, by reasonable and
 1057 objective means, before the solicitation that there are capable,
 1058 qualified ~~certified~~ minority business enterprises available to
 1059 submit a bid, proposal, or reply on a contract to provide for
 1060 effective competition. The Office of Supplier Development
 1061 ~~Diversity~~ shall consult with any agency in reaching such
 1062 determination when deemed appropriate.

1063 (b) Before a contract may be reserved for solicitation
 1064 only among ~~certified~~ minority business enterprises, the agency
 1065 head must find that such a reservation is in the best interests
 1066 of the state. ~~All determinations shall be subject to s.~~
 1067 ~~287.09451(5).~~ Once a decision has been made to reserve a
 1068 contract, but before sealed bids, proposals, or replies are
 1069 requested, the agency shall estimate what it expects the amount
 1070 of the contract to be, based on the nature of the services or
 1071 commodities involved and their value under prevailing market
 1072 conditions. If all the sealed bids, proposals, or replies
 1073 received are over this estimate, the agency may reject the bids,
 1074 proposals, or replies and request new ones from ~~certified~~
 1075 minority business enterprises, or the agency may reject the

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1076 bids, proposals, or replies and reopen the bidding to all
 1077 eligible vendors.

1078 (c) All agencies shall consider the use of price
 1079 preferences of up to 10 percent, weighted preference formulas,
 1080 or other preferences for vendors as determined appropriate
 1081 ~~pursuant to guidelines established in accordance with s.~~
 1082 ~~287.09451(4)~~ to increase the participation of minority business
 1083 enterprises.

1084 (d) All agencies shall avoid any undue concentration of
 1085 contracts or purchases in categories of commodities or
 1086 contractual services in order to meet the Florida-based small
 1087 ~~minority~~ business enterprise purchasing goals in s. 287.09451.

1088 **Section 24. Subsection (4) of section 287.094, Florida**
 1089 **Statutes, is amended to read:**

1090 287.094 Minority business enterprise programs; penalty for
 1091 discrimination and false representation.—

1092 (4) No agency shall deny any contractor, firm, or
 1093 individual a fair opportunity to compete in the public
 1094 procurement of commodities and services based on race, national
 1095 origin, gender, religion, or physical disability, which for
 1096 purposes of this subsection constitutes prohibited
 1097 discrimination. Complaints alleging prohibited discrimination by
 1098 an agency in its public procurement may be filed with the Office
 1099 of Supplier Development ~~Diversity~~ within 60 days after the facts
 1100 giving rise to the complaint are known or reasonably should have

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1101 been discovered. Any complaint shall be filed in writing and
 1102 must set forth the specific facts giving rise to the claim of
 1103 prohibited discrimination. The Office of Supplier Development
 1104 Diversity shall, within 10 days, refer the complaint to the
 1105 Inspector General for the agency that is the subject of the
 1106 complaint, who shall coordinate a prompt investigation and issue
 1107 written findings of fact. These findings shall be reviewed by
 1108 the Chief Inspector General or his or her designee, who is
 1109 authorized to conduct any further investigation deemed necessary
 1110 or appropriate. Upon a final determination that an agency has
 1111 abused its discretion by engaging in prohibited discrimination,
 1112 the Chief Inspector General shall refer any state employee
 1113 determined to have participated in the prohibited discrimination
 1114 for disciplinary action in accordance with chapter 60K(9),
 1115 Florida Administrative Code, and subsequently enacted rules, up
 1116 to and including termination.

1117 **Section 25. Subsection (1) of section 288.1167, Florida**
 1118 **Statutes, is amended to read:**

1119 288.1167 Sports franchise contract provisions for food and
 1120 beverage concession and contract awards to minority business
 1121 enterprises.—Any applicant who receives funding pursuant to the
 1122 provisions of s. 212.20 must demonstrate that:

1123 (1) Funds and facilities with respect to food and beverage
 1124 and related concessions shall be awarded to minority business
 1125 enterprises as defined in s. 288.703 on the same terms and

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1126 conditions as the general food and beverage concessionaire ~~and~~
 1127 ~~in accordance with the minority business enterprise procurement~~
 1128 ~~goals set forth in s. 287.09451;~~

1129 **Section 26. Subsections (2) through (6) of section**
 1130 **288.703, Florida Statutes, are renumbered as subsections (1)**
 1131 **through (5), respectively, and present subsections (1) and (5)**
 1132 **of that section are amended to read:**

1133 288.703 Definitions.—As used in ss. 288.702-288.706, the
 1134 term:

1135 ~~(1) "Certified minority business enterprise" means a~~
 1136 ~~business which has been certified by the certifying organization~~
 1137 ~~or jurisdiction in accordance with s. 287.0943(1) and (2).~~

1138 (4)-(5) "Ombudsman" means an office or individual whose
 1139 responsibilities include coordinating with the Office of
 1140 Supplier Development Diversity for the interests of and
 1141 providing assistance to small and minority business enterprises
 1142 in dealing with governmental agencies and in developing
 1143 proposals for changes in state agency rules.

1144 **Section 27. Paragraph (a) of subsection (2) of section**
 1145 **376.3072, Florida Statutes, is amended to read:**

1146 376.3072 Florida Petroleum Liability and Restoration
 1147 Insurance Program.—

1148 (2) (a) An owner or operator of a petroleum storage system
 1149 may become an insured in the restoration insurance program at a
 1150 facility if:

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1151 1. A site at which an incident has occurred is eligible
 1152 for restoration if the insured is a participant in the third-
 1153 party liability insurance program or otherwise meets applicable
 1154 financial responsibility requirements. After July 1, 1993, the
 1155 insured must also provide the required excess insurance coverage
 1156 or self-insurance for restoration to achieve the financial
 1157 responsibility requirements of 40 C.F.R. s. 280.97, subpart H,
 1158 not covered by paragraph (d).

1159 2. A site which had a discharge reported before January 1,
 1160 1989, for which notice was given pursuant to s. 376.3071(10) and
 1161 which is ineligible for the third-party liability insurance
 1162 program solely due to that discharge is eligible for
 1163 participation in the restoration program for an incident
 1164 occurring on or after January 1, 1989, pursuant to subsection
 1165 (3). Restoration funding for an eligible contaminated site will
 1166 be provided without participation in the third-party liability
 1167 insurance program until the site is restored as required by the
 1168 department or until the department determines that the site does
 1169 not require restoration.

1170 3. Notwithstanding paragraph (b), a site where an
 1171 application is filed with the department before January 1, 1995,
 1172 where the owner is a small business under s. 288.703(5) ~~or~~
 1173 ~~288.703(6)~~, a Florida College System institution with less than
 1174 2,500 FTE, a religious institution as defined by s.
 1175 212.08(7)(m), a charitable institution as defined by s.

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1176 212.08(7)(p), or a county or municipality with a population of
 1177 less than 50,000, is eligible for up to \$400,000 of eligible
 1178 restoration costs, less a deductible of \$10,000 for small
 1179 businesses, eligible Florida College System institutions, and
 1180 religious or charitable institutions, and \$30,000 for eligible
 1181 counties and municipalities, if:

1182 a. Except as provided in sub-subparagraph e., the facility
 1183 was in compliance with department rules at the time of the
 1184 discharge.

1185 b. The owner or operator has, upon discovery of a
 1186 discharge, promptly reported the discharge to the department,
 1187 and drained and removed the system from service, if necessary.

1188 c. The owner or operator has not intentionally caused or
 1189 concealed a discharge or disabled leak detection equipment.

1190 d. The owner or operator proceeds to complete initial
 1191 remedial action as specified in department rules.

1192 e. The owner or operator, if required and if it has not
 1193 already done so, applies for third-party liability coverage for
 1194 the facility within 30 days after receipt of an eligibility
 1195 order issued by the department pursuant to this subparagraph.

1196 However, the department may consider in-kind services from
 1197 eligible counties and municipalities in lieu of the \$30,000
 1198 deductible. The cost of conducting initial remedial action as
 1199 defined by department rules is an eligible restoration cost
 1200

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1201 pursuant to this subparagraph.

1202 4.a. By January 1, 1997, facilities at sites with existing
1203 contamination must have methods of release detection to be
1204 eligible for restoration insurance coverage for new discharges
1205 subject to department rules for secondary containment. Annual
1206 storage system testing, in conjunction with inventory control,
1207 shall be considered to be a method of release detection until
1208 the later of December 22, 1998, or 10 years after the date of
1209 installation or the last upgrade. Other methods of release
1210 detection for storage tanks which meet such requirement are:

1211 (I) Interstitial monitoring of tank and integral piping
1212 secondary containment systems;

1213 (II) Automatic tank gauging systems; or

1214 (III) A statistical inventory reconciliation system with a
1215 tank test every 3 years.

1216 b. For pressurized integral piping systems, the owner or
1217 operator must use:

1218 (I) An automatic in-line leak detector with flow
1219 restriction meeting the requirements of department rules used in
1220 conjunction with an annual tightness or pressure test; or

1221 (II) An automatic in-line leak detector with electronic
1222 flow shut-off meeting the requirements of department rules.

1223 c. For suction integral piping systems, the owner or
1224 operator must use:

1225 (I) A single check valve installed directly below the

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1226 suction pump if there are no other valves between the dispenser
1227 and the tank; or

1228 (II) An annual tightness test or other approved test.

1229 d. Owners of facilities with existing contamination that
1230 install internal release detection systems pursuant to sub-
1231 subparagraph a. shall permanently close their external
1232 groundwater and vapor monitoring wells pursuant to department
1233 rules by December 31, 1998. Upon installation of the internal
1234 release detection system, such wells must be secured and taken
1235 out of service until permanent closure.

1236 e. Facilities with vapor levels of contamination meeting
1237 the requirements of or below the concentrations specified in the
1238 performance standards for release detection methods specified in
1239 department rules may continue to use vapor monitoring wells for
1240 release detection.

1241 f. The department may approve other methods of release
1242 detection for storage tanks and integral piping which have at
1243 least the same capability to detect a new release as the methods
1244 specified in this subparagraph.

1245
1246 Sites meeting the criteria of this subsection for which a site
1247 rehabilitation completion order was issued before June 1, 2008,
1248 do not qualify for the 2008 increase in site rehabilitation
1249 funding assistance and are bound by the pre-June 1, 2008,
1250 limits. Sites meeting the criteria of this subsection for which

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1251 a site rehabilitation completion order was not issued before
 1252 June 1, 2008, regardless of whether they have previously
 1253 transitioned to nonstate-funded cleanup status, may continue
 1254 state-funded cleanup pursuant to s. 376.3071(6) until a site
 1255 rehabilitation completion order is issued or the increased site
 1256 rehabilitation funding assistance limit is reached, whichever
 1257 occurs first.

1258 **Section 28. Paragraph (g) of subsection (1) of section**
 1259 **376.84, Florida Statutes, is amended to read:**

1260 376.84 Brownfield redevelopment economic incentives.—It is
 1261 the intent of the Legislature that brownfield redevelopment
 1262 activities be viewed as opportunities to significantly improve
 1263 the utilization, general condition, and appearance of these
 1264 sites. Different standards than those in place for new
 1265 development, as allowed under current state and local laws,
 1266 should be used to the fullest extent to encourage the
 1267 redevelopment of a brownfield. State and local governments are
 1268 encouraged to offer redevelopment incentives for this purpose,
 1269 as an ongoing public investment in infrastructure and services,
 1270 to help eliminate the public health and environmental hazards,
 1271 and to promote the creation of jobs in these areas. Such
 1272 incentives may include financial, regulatory, and technical
 1273 assistance to persons and businesses involved in the
 1274 redevelopment of the brownfield pursuant to this act.

1275 (1) Financial incentives and local incentives for

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1276 redevelopment may include, but not be limited to:
 1277 (g) Minority business enterprise programs ~~as provided in~~
 1278 ~~s. 287.0943.~~

1279 **Section 29. Paragraph (a) of subsection (3) and subsection**
 1280 **(6) of section 473.3065, Florida Statutes, are amended to read:**

1281 473.3065 Clay Ford Scholarship Program; Certified Public
 1282 Accountant Education Minority Assistance Advisory Council.—

1283 (3) The board shall adopt rules as necessary for
 1284 administration of the Clay Ford Scholarship Program, including
 1285 rules relating to the following:

1286 (a) Eligibility criteria for receipt of a scholarship,
 1287 which, at a minimum, shall include the following factors:

1288 1. Financial need.

1289 2. Ethnic, gender, or racial minority status pursuant to
 1290 s. 288.703(3) ~~s. 288.703(4)~~.

1291 3. Scholastic ability and performance.

1292 (6) There is hereby created the Certified Public
 1293 Accountant Education Minority Assistance Advisory Council to
 1294 assist the board in administering the Clay Ford Scholarship
 1295 Program. The council shall be diverse and representative of the
 1296 gender, ethnic, and racial categories set forth in s. 288.703(3)
 1297 ~~s. 288.703(4)~~.

1298 (a) The council shall consist of five licensed Florida-
 1299 certified public accountants selected by the board, of whom one
 1300 shall be a board member who serves as chair of the council, one

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1301 shall be a representative of the National Association of Black
 1302 Accountants, one shall be a representative of the Cuban American
 1303 CPA Association, and two shall be selected at large. At least
 1304 one member of the council must be a woman.

1305 (b) The board shall determine the terms for initial
 1306 appointments and appointments thereafter.

1307 (c) Any vacancy on the council shall be filled in the
 1308 manner provided for the selection of the initial member. Any
 1309 member appointed to fill a vacancy of an unexpired term shall be
 1310 appointed for the remainder of that term.

1311 (d) Three consecutive absences or absences constituting 50
 1312 percent or more of the council's meetings within any 12-month
 1313 period shall cause the council membership of the member in
 1314 question to become void, and the position shall be considered
 1315 vacant.

1316 (e) The members of the council shall serve without
 1317 compensation, and any necessary and actual expenses incurred by
 1318 a member while engaged in the business of the council shall be
 1319 borne by such member or by the organization or agency such
 1320 member represents. However, the council member who is a member
 1321 of the board shall be compensated in accordance with ss.
 1322 455.207(4) and 112.061.

1323 **Section 30. Paragraph (d) of subsection (7) of section**
 1324 **1001.706, Florida Statutes, is amended to read:**

1325 1001.706 Powers and duties of the Board of Governors.—

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1326 (7) POWERS AND DUTIES RELATING TO PROPERTY.—

1327 (d) The Board of Governors, or the board's designee, shall
 1328 ensure compliance with the provisions of ~~s. 287.09451 for all~~
 1329 ~~procurement and~~ ss. 255.101 and 255.102 for construction
 1330 contracts, and rules adopted pursuant thereto, relating to the
 1331 utilization of minority business enterprises, ~~except that~~
 1332 ~~procurements costing less than the amount provided for in~~
 1333 ~~CATEGORY FIVE as provided in s. 287.017 shall not be subject to~~
 1334 ~~s. 287.09451.~~

1335 **Section 31.** This act shall take effect July 1, 2026.

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604948

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5301

INTRODUCER: Health Care Budget Subcommittee and Representative Andrade

SUBJECT: Health Care

DATE: February 27, 2026

REVISED: 3/3/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Barr	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5301 conforms statutes to the House proposed General Appropriations Act (GAA) for Fiscal Year 2026-2027, making several changes related to Health Care. Specifically, the bill:

- Eliminates the Health Care Innovation Council and the Revolving Loan Program within the Department of Health.
- Increases the nursing home prospective payment reimbursement methodology for the Quality Incentive Program Payment Pool from ten percent of non-property funds to 15.2344 percent of non-property funds.
- Creates the Medicaid Eligibility Assistance Program for Persons with Disabilities within the Department of Children and Families.
- Requires funding to follow an individual who voluntarily transfers between the Home and Community-Based Services Waiver program and the Intellectual Developmental Disabilities Pilot Program.
- Requires the Agency for Health Care Administration (AHCA) to reimburse for long-acting injectable medications administered to Medicaid recipients with severe mental illness in an inpatient hospital setting at an amount no less than the actual acquisition cost.
- Requires the AHCA to re-procure contracts with Medicaid managed care plans every eight years instead of every six years.
- Requires the AHCA to establish a quality withhold incentive in each Statewide Medicaid Managed Care plan contract, with the sole metric being infant mortality.

The bill has a significant fiscal impact on state revenues and expenditures. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

Health Care Innovation Council

In 2024, ch. 2024-16, F.S., created the Health Care Innovation Council (council), a 15-member council within the Department of Health (DOH). The Lieutenant Governor serves as the chair of the council and as an ex officio, nonvoting member. The Secretary of the Agency for Health Care Administration (ACHA), the Secretary of the Department of Children and Families (DCF), the director of the Agency for Persons with Disabilities (APD), the State Surgeon General, and the Secretary of the Department of Elder Affairs all serve as ex officio, nonvoting members. The chair of the Council of Florida Medical School Deans serves as a voting member.

The President of the Senate and the Speaker of the House of Representatives each make one appointment to the council. Legislative appointments must be a person from the health care sector who has senior level experience in reducing inefficiencies in health care delivery systems; from the private sector who has senior level experience in cybersecurity or software engineering in the health care sector; a person who has expertise in emerging technology that can be used in the delivery of health care; or who has experience in finance or investment or in management and operation of early stage companies.

The remainder of the council consists of the following appointments by the Governor:

- A licensed physician.
- An employee of a licensed hospital.
- A licensed nurse.
- A Florida resident to represent the interest of health care patients.
- An employee of a health insurer or health maintenance organization; and
- A representative of the long-term care facility industry.¹

The council is required to meet at least quarterly at the call of the chair, and in order to provide an opportunity for the broadest public input, must hold a majority of its meetings during the year in geographically dispersed areas across the state. Meetings are encouraged to provide opportunities for demonstrations or presentations of innovative solutions in person.²

Council Duties

The council must facilitate public meetings at which innovators, developers, and implementers of technologies, workforce pathways, service delivery models, and other solutions may present information and lead discussions. The council's work:

- Must cover concepts that address challenges to the health care system as they develop in real time and concepts that advance the delivery of health care in this state through technology and innovation.
- Must consider how the concepts:
 - Increase efficiency in the health care system in this state;

¹ Section 381.4015(3)(a), F.S.

² Section 381.4015(3)(b), F.S.

- Reduce strain on the state's health care workforce;
- Improve patient outcomes;
- Expand public access to health care services in this state; or
- Reduce costs for patients and the state without reducing the quality of patient care.
- May consider broad community or statewide issues or needs to be addressed.
- May include how concepts can be supported, cross-functional, or scaled to meet the needs of health care consumers, including employers, payers, patients, and the state.
- May include coordination with the Small Business Development Center Network, the Florida Opportunity Fund, the Institute for Commercialization of Florida Technology, and other business incubators, development organizations, or institutions of higher education to include emerging and early-stage concepts in the discussions.
- May bring information technology technical experts to lead discussions on recommended structures and integrations of information technology products, services, and solutions.³

Council Goals

The Council has the following goals:

- **Improve Patient Outcomes and Expand Access to Care:** Leverage innovative technologies and new care delivery models to improve patient outcomes; promote health and wellness through proactive interventions, seamless care coordination, and enhanced patient engagement; and expand access to care, particularly in underserved communities.
- **Reduce Health Care Costs:** Work to reduce health care costs while maintaining or improving the quality of care delivered to patients.
- **Enhance Efficiency in Health Care Delivery:** Reduce administrative burdens and streamline processes to improve the overall efficiency of health care services through enhanced interoperability and seamless care coordination.
- **Foster Health Care Innovation:** Encourage collaboration among entrepreneurs, health care professionals, and policymakers to drive health care innovation that is scalable across the state to maximize impact.
- **Strengthen Florida's Health Care Workforce:** Address workforce shortages and improve workplace efficiency through innovative workforce pathways.
- **Promote Cybersecurity and Interoperability:** Foster a secure and interoperable health care environment that facilitates the seamless exchange of information across systems.⁴

The council must submit an annual report each December 1 on the council's activities, including:

- An update on the status of the delivery of health care in Florida.⁵
- Information on implementation of best practices by Florida health care industry stakeholders.
- Highlights of exploration, development, or implementation of innovative technologies, workforce pathways, service delivery models, or other solutions by Florida health care industry stakeholders.

³ Section 381.4015(4), F.S.

⁴ Section 381.4015(4)(b), F.S.

⁵ Section 381.4015(4)(g), F.S.

To date, the council has met three times: on October 25, 2024, on November 19, 2024, and on June 26, 2025.⁶

Some key accomplishments of the council, as outlined in the December 1, 2025, Annual Report, are:⁷

- Adopted the Health Care Innovation Strategic Framework establishing a patient-centered mission and six strategic goals aligned with statutory requirements.
- Developed a comprehensive loan evaluation scoring framework using a 100-point scale to assess applications for the \$50 million annual revolving loan program.
- Adopted emergency rules (Rules 64WER25-3 and 64WER25-4, Florida Administrative Code), pursuant to statutory authorization, to implement the revolving loan program.
- Launched the Innovation Hub website (Innovation.FloridaHealth.gov) to serve as a central resource for stakeholders statewide.
- Deployed the loan application portal to support low-interest financing for innovative health care solutions.
- Opened the first application period (October 3 through November 17, 2025) to accept proposals from eligible Florida health care facilities.
- Created a catalog of alternative funding sources to assist Florida health care entities in identifying additional resources.
- Established operational infrastructure including a tiered review process and evaluation criteria for scaling innovation across the state.⁸

Revolving Loan Program

A revolving loan program⁹ is created within the DOH to provide funding for applicants seeking to implement innovative solutions. Certain entities licensed, registered, or certified by the Agency for Health Care Administration and educational or clinical training providers in partnership with one of the entities, may apply for a loan.¹⁰ The program made operational progress in 2025, establishing the infrastructure necessary for launch.

The DOH is to establish eligibility criteria that:

- Incorporates recommendations of the council based on input received, focus areas developed, and best practices recommended.
- Determines which proposals are likely to provide the greatest return to the state, taking into consideration the degree to which the proposal would increase efficiency in the health care system in this state, reduce strain on the state's health care workforce, improve patient outcomes, increase public access to health care in this state, or provide cost savings to patients or the state without reducing the quality of patient care.

⁶ Department of Health, *Florida Health Care Innovation Council Annual Report December 1, 2025*, (on file with the Senate Appropriations Committee).

⁷ *Id.*

⁸ Department of Health, *Florida Health Care Innovation Council Annual Report December 1, 2025* (on file with the Senate Appropriations Committee).

⁹ Section 381.4015(7), F.S.

¹⁰ The entities licensed, registered, or certified pursuant to s. 408.802, F.S., except for those under subsections (1), (3), (13), (23), and (25) of that section, are eligible to apply.

Application Process

The DOH is required to set application periods to apply for loans and may set up to four application periods in a fiscal year.¹¹ The DOH must work with the council if application periods include separate priority for current focus areas adopted by the council. The availability of loans will be publicized to stakeholders, education or training providers, and others. The DOH will receive the applications and determine whether the applications are complete and whether the applicant has demonstrated ability to repay the loan. Within 30 days of the close of the application period, the DOH will forward the complete applications to the council.

The DOH is required to establish an application process to receive revolving loan applications for review by the council, loan eligibility criteria to guide the council's review and recommendation of applications, and rules meant to vet applicants, project impact, and further the purposes of the revolving loan program.

Eligibility¹²

Different types of health care entities licensed, registered, or certified by the AHCA are authorized to apply for a revolving loan. In addition, educational and clinical training providers who partner with one of the eligible entities are eligible to apply for a revolving loan. The DOH and the council are to prioritize applicants located in DOH-designated rural or medically underserved areas that are rural hospital applicants or nonprofit applicants that accept Medicaid patients.

The council must review submitted applications using the criteria and processes and format adopted by the DOH by rule. Priority must be given to applicants that are located in a rural or medically underserved area and are either rural hospitals or nonprofit entities that accept Medicaid patients. A loan applicant must demonstrate plans to use the funds to implement one or more innovative technologies, workforce pathways, service delivery models, or other solutions in order to:

- Fill a demonstrated need;
- Obtain or upgrade necessary equipment, hardware, and materials;
- Adopt new technologies or systems; or
- A combination of the above, which will improve the quality and delivery of health care in measurable and sustainable ways and which will lower costs and allow savings to be passed on to health care consumers.

Awards

The amount of each loan must be based upon demonstrated need and availability of funds.¹³ The DOH may not award more than ten percent of the total allocated funds for the fiscal year to a single loan applicant.

The revolving loan program launched its first application period from October 3 through November 17, 2025. This 45-day application window represents the loan program's transition

¹¹ Section 381.4015(7)(c), F.S.

¹² Section 381.4015(7)(b), F.S.

¹³ Section 381.4015(7)(d), F.S.

from planning to active operations. The application period was widely publicized to eligible stakeholders including:

- Health care facilities licensed by the AHCA;
- Educational and clinical training providers in partnership with eligible facilities;
- Rural hospitals and nonprofit entities serving Medicaid patients; and
- Professional associations and industry groups.

Applications submitted during this period are currently under review by the council using the approved 100-point scoring framework and tiered review process. The council anticipates announcing the first loan awards in early 2026, with projects beginning implementation shortly thereafter.¹⁴

Loan Repayment

Loans become due and payable in accordance with the terms of the written agreement.¹⁵ All repayments of principal received by the department in a fiscal year must be returned to the revolving loan fund and made available for loans to other applicants.

Revolving Loan Fund

Current law requires the department to create and maintain a separate account in the Grants and Donations Trust Fund within the department as a fund for the program.¹⁶ All repayments of principal must be returned to the revolving loan fund and made available for loans to other applicants. Notwithstanding s. 216.301, F.S., funds appropriated for the revolving loan program are not subject to reversion. The department may contract with a third-party administrator to administer the program, including loan servicing, and manage the revolving loan fund. A contract for a third-party administrator which includes management of the revolving loan fund must, at a minimum, require maintenance of the revolving loan fund to ensure that the program may operate in a revolving manner.

Nursing Prospective Payment System

On October 1, 2018, Florida Medicaid nursing homes transitioned from facility-specific cost-based rates to the prospective rate reimbursement methodology, which determines rates in advance of payment. Section 409.908, F.S., provides the methodology¹⁷ and parameters for rate setting, including reimbursement rates for direct care, indirect care, and operating costs.

¹⁴ Department of Health, *Florida Health Care Innovation Council Annual Report December 1, 2025*, on file with the Senate Appropriations Committee.

¹⁵ Section 381.4015(7)(f), F.S.

¹⁶ Section 381.4015(7)(g), F.S.

¹⁷ Nursing Home Prospective Payment System Calculation: (Operating Price + Direct Care Price - Floor Reduction + Indirect Care Price - Floor Reduction + FRVS Rate + Pass Through Payments) * Budget Neutrality Factor + Quality Incentive Payment + Medicaid Share of NFQA + Ventilator Supplemental Payment + High Medicaid Utilization and High Direct Patient Care Add-On)) + Unit Cost Rate Increase

The methodology includes a parameter for a Quality Incentive Payment, in which a provider is awarded points for process, outcome, structural, and credentialing measures using the most recently reported data on May 31 of the rate period year.¹⁸

The Quality Incentive Payment calculation¹⁹ is as follows:

Facility Annualized Medicaid Days	X	Quality Points with Lower Limit	X	Total Quality Budget
Average Annualized Medicaid Days		Sum of Total Points Awarded to All Facilities		Facility Annualized Medicaid Days

Payment amounts are limited to a percentage of the September 2016 non-property related payments of included facilities.²⁰

Effective July 1, 2025, Senate Bill 2502, the Fiscal Year 2025-2026 Implementing Bill for the General Appropriations Act, amended s. 409.908, F.S., increasing the Quality Incentive Payment percentage from ten percent to 17.862 percent.²¹ The change is only valid for the fiscal year, and will revert back to ten percent on July 1, 2026.

Medicaid Eligibility Assistance for Persons with Disabilities

The Agency for Persons with Disabilities (APD) was created to serve the needs of Floridians with developmental disabilities. The APD works in partnership with local communities and private providers to assist people who have developmental disabilities and their families. The APD serves more than 60,000 individuals with autism, cerebral palsy, spina bifida, intellectual disabilities, Down Syndrome, Prader-Willi syndrome, and Phelan-McDermid syndrome.

While the APD provides services and support to individuals with developmental disabilities, Medicaid eligibility determinations and application processes are administered by the Department of Children and Families (DCF) and require coordination across multiple agencies.

Current law does not provide for a standalone statutory program specifically focused on assisting persons with disabilities in navigating Medicaid eligibility requirements through a centralized information, referral, and navigation model.

Long-Acting Injectables

Long-acting injectables (LAIs) are injectable medications used by individuals with mental illness. LAIs are typically the same medication as can be taken orally in pill form, often on a daily basis. However, the injected liquid formulation permits medication to be released into the

¹⁸ Rule 59G-6.010(2)(y), F.A.C.

¹⁹ *Id.*

²⁰ Section 409.908(2)(e), F.S.

²¹ Chapter 25-199, Laws of Fla.

bloodstream over a longer period of time. This allows injections to be given only every two weeks to six months, depending on the medication and formulation.²²

Advantages may include increased adherence and lower side effects. This can have the outcome of reduced readmissions for inpatient care. However, use of LAIs remains relatively low. Some barriers to increased LAI use include:

- Cost of LAIs, particularly newer second-generation medications.
- Fear of needles.
- Negative patient attitudes about LAIs or medication generally.²³
- Clinician discomfort with administering injections.²⁴
- Clinician perception that LAIs are more appropriate for nonadherent patients.

Patients typically begin receiving medication orally to identify which medicine is most effective for them before receiving the medication through an LAI. Some patients may receive an LAI while in inpatient care but discontinue use after discharge.²⁵

LAIs are more widely available for treating schizophrenia, with some also available for bipolar disorder or opioid use disorder.²⁶ However, a 2019 study indicated that only about ten percent of patients with schizophrenia were taking LAIs.²⁷

Florida Medicaid Program

Medicaid is the health care safety net for low-income Floridians. The Florida Medicaid program is a partnership of the federal and state governments established to provide coverage for health services for eligible persons. The program is administered by the Agency for Health Care Administration (AHCA) and financed by federal and state funds. The AHCA delegates certain functions to other state agencies, including the DCF, which makes eligibility determinations.

The structure of each state's Medicaid program varies, but what states must pay for is largely determined by the federal government, as a condition of receiving federal funds.²⁸ Federal law sets the amount, scope, and duration of services offered in the program, among other requirements. These federal requirements create an entitlement that comes with constitutional due process protections. The entitlement means that two parts of the Medicaid cost equation – people and utilization – are largely predetermined for the states. The federal government sets the

²² National Alliance on Mental Illness, Long-Acting Injectables (LAIs), <https://www.nami.org/about-mental-illness/treatments/mental-health-medications/long-acting-injectables-lais/> (last visited Feb. 10, 2026).

²³ S. Schwartz, et al., *Attitudes and perceptions about the use of long-acting injectable antipsychotics among behavioral health practitioners*, Mental Health Clinician, Aug. 23, 2022, <https://mhc.kglmeridian.com/view/journals/mhcl/12/4/article-p232.xml> (last visited Feb. 10, 2026).

²⁴ Lovett, L., *Behavioral Health Business*, Behavioral Providers Turn to Long-acting Injectables to Boost Adherence, Decrease Burden, July 3, 2024, <https://bhbusiness.com/2024/07/03/behavioral-providers-turn-to-long-acting-injectables-to-boost-adherence-decrease-burden/> (last visited Feb. 10, 2026).

²⁵ *Id.*

²⁶ *Id.*

²⁷ S. Schwartz, et al., *Attitudes and perceptions about the use of long-acting injectable antipsychotics among behavioral health practitioners*, Mental Health Clinician, Aug. 23, 2022, <https://mhc.kglmeridian.com/view/journals/mhcl/12/4/article-p232.xml> (last visited Feb. 10, 2026).

²⁸ Title 42 U.S.C. §§ 1396-1396w-5; Title 42 C.F.R. Part 430-456 (§§ 430.0-456.725) (2016).

minimum mandatory populations to be included in every state Medicaid program. The federal government also sets the minimum mandatory benefits to be covered in every state Medicaid program. These benefits include physician services, hospital services, home health services, and family planning.²⁹ States can add benefits, with federal approval. Florida has added many optional benefits, including prescription drugs, ambulatory surgical center services, and dialysis.³⁰

Florida Medicaid does not cover all low-income Floridians. Eligibility is determined by household income and by certain categorical eligibility standards, like disability.

Medicaid Managed Care

States have some flexibility in the provision of Medicaid services. Section 1915(b) of the Social Security Act provides authority for the Secretary of the U.S. Department of Health and Human Services to waive requirements to the extent that he or she “finds it to be cost-effective and efficient and not inconsistent with the purposes of this title.” Also, Section 1115 of the Social Security Act allows states to use innovative service delivery systems that improve care, increase efficiency, and reduce costs.

States may also ask the federal government to waive federal requirements to expand populations or services, or to try new ways of service delivery. Many states have elected to provide Medicaid benefits through a managed care model. Traditionally, Medicaid services are paid for under a fee-for-service (FFS) reimbursement model. Under the FFS model, the state pays providers directly for each covered service received by a Medicaid beneficiary. Under managed care, the state pays a fee to a managed care plan for each person enrolled in the plan. In turn, the plan pays providers for all of the Medicaid services a beneficiary may require that are included in the plan’s contract with the state.³¹

For example, Florida has a Section 1115 waiver to use a comprehensive managed care delivery model for primary and acute care services, the Statewide Medicaid Managed Care (SMMC) Managed Medical Assistance (MMA) program.³² The MMA program was enacted in 2011 and fully implemented in 2014.

Managed Medical Assistance (MMA) Program

The MMA program provides acute health care services through managed care plans contracted with the AHCA in nine regions across the state.³³ Specialty plans are also available to serve distinct populations, such as the Children’s Medical Services Network for children with special health care needs, or those in the child welfare system. Medicaid recipients with HIV/AIDS, serious mental illness, dual enrollment with Medicare, chronic obstructive pulmonary disease,

²⁹ Section 409.905, F.S.

³⁰ Section 409.906, F.S.

³¹ Medicaid and CHIP Payment and Access Commission (MACPAC), *Provider payment and delivery systems*, <https://www.macpac.gov/medicaid-101/provider-payment-and-delivery-systems/> (last visited Feb. 10, 2026).

³² [Section](#) 409.964, F.S.

³³ Agency for Health Care Administration, *SMMC Region Map*, https://ahca.myflorida.com/var/site/storage/images/5/8/9/2/182985-1-eng-US/a49c585cebfc-regions_Current2025.png (last visited Feb. 10, 2026).

congestive heart failure, or cardiovascular disease may also select from specialized plans. Roughly 80 percent of Florida's Medicaid population is served through the MMA program, while the remainder of participants are served by traditional FFS Medicaid.³⁴

Intellectual and Developmental Disabilities (IDD) Pilot Program

In 2023, the Legislature created the Intellectual and Developmental Disabilities (IDD) Pilot Program in SMMC Region D (Hardee, Highlands, Hillsborough, Manatee, and Polk counties) and Region I (Miami-Dade and Monroe counties).³⁵ This established a managed care model for integrating medical care and HCBS for persons with intellectual and developmental disabilities, as an alternative to the iBudget model. To obtain federal Medicaid funding for the IDD Pilot Program, Florida obtained a Medicaid waiver in April 2024.³⁶

Eligibility

The IDD Pilot Program is available to individuals who:

- Are Medicaid-eligible and 18 years of age or older;
- Have been assigned to categories one through six on the iBudget pre-enrollment list; and
- Reside in a pilot program region.

The IDD Pilot is only available to people on the iBudget pre-enrollment list, not iBudget enrollees; and is available statewide. Beginning in July 2026, the IDD Pilot Program expands to allow enrollment to all individuals with Developmental Disabilities enrolled in either the individual budget waiver services program (iBudget Waiver) or in the long-term care managed care program.

Enrollees are allowed the opportunity to disenroll from the IDD Pilot Program and enroll in any appropriate existing Medicaid waiver program if any of the following conditions occur:

- At any point during the operation of the IDD Pilot Program, an enrollee declares an intent to voluntarily disenroll, provided that he or she has been covered for the entire previous plan year by the IDD Pilot Program.
- The AHCA determines the enrollee has good cause to disenroll.
- The IDD Pilot Program ceases to operate.

Benefits

Current law requires the following benefits for the pilot program, delivered through a single, integrated model of care:

- All the medical care benefits covered in the SMMC program, as described in s. 409.973, F.S., including access to prepaid dental plans;

³⁴ Agency for Health Care Administration, presentation by Beth Kidder, Deputy Secretary for Medicaid, to the House Health and Human Services Committee (February 17, 2021) available at: <https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3085&Session=2021&DocumentType=Meeting%20Packets&FileName=hhs%202-17-21.pdf> (last visited Jan. 6, 2022).

³⁵ The Agency for Health Care Administration competitively procures plans in the SMMC program by region; there are nine SMMC regions.

³⁶ Florida Comprehensive Intellectual Developmental Disabilities Managed Care Pilot Program (2346.R00.00), April 1, 2024, authorized under s. 1915b of the Social Security Act.

- All the long-term care benefits covered in the SMMC program, as described in s. 409.98, F.S.; and
- All the home- and community-based services (HCBS) covered in the iBudget program, as described in s. 393.066, F.S.

Additionally, each enrollee must have a Care Coordinator. AHCA's contract with the plan requires a ratio of one IDD Care Coordinator per 18 enrollees; this 1:18 staffing ratio varies significantly from the 1:60 staffing ratio required for long-term care.

As with other SMMC programs, the AHCA negotiates for expanded benefits from the plans. These are benefits plans offer without cost to the state: the costs are not built into the managed care capitated rate. Rather, plans offer these benefits to attract enrollees and increase quality; some expanded benefits can prevent medical decline and the need for catastrophic medical care.

Administration

The AHCA is required to administer the pilot program using a managed care model. The AHCA must contract with a Medicaid managed care plan currently under contract with the AHCA to provide long-term care services. Experience providing HCBS to a population requiring significant care coordination is thereby a predicate for obtaining the contract. Similarly, current law requires the plan to have experience serving similar populations and have contracts in place with providers who serve persons with developmental disabilities, among other requirements.

Under the IDD Pilot Program, the AHCA is responsible for:

- Negotiating with and selecting qualified plans to participate in the pilot program;
- Making capitated payments to managed care organizations for comprehensive coverage under the pilot program; and
- Evaluating the feasibility of statewide implementation of the capitated managed care model used by the pilot program to serve individuals with developmental disabilities.

Under the IDD Pilot Program, the APD is responsible for:

- Approving a needs assessment methodology to determine functional, behavioral, and physical needs of prospective enrollees; and
- Providing a consultative resource for the AHCA in the development of policy for the pilot program.

III. Effect of Proposed Changes:

Section 1 repeals s. 381.4015, F.S., to eliminate the Health Care Innovation Council, a 15-member council within the Department of Health (DOH) and the revolving loan program, which provides funding for applicants seeking to implement innovative solutions in the state's health care system.

Section 2 amends s. 409.908, F.S., to modify the parameters governing the nursing home prospective payment methodology for Medicaid provider reimbursement to increase the quality incentive payment pool from ten percent to 15.2344 percent of the September 2016 non-property related payments of included facilities.

Section 3 amends s. 409.912, F.S., to require the AHCA to amend the Medicaid reimbursement protocol to require that a hospital facility administering long-acting injectables (LAIs) for severe mental illness (SMI) shall be reimbursed separately from the diagnosis-related group. The bill specifies that LAIs administered for severe mental illness in an inpatient hospital setting be reimbursed for an amount no less than the Actual Acquisition Cost (AAC).

Section 4 creates s. 409.9207, F.S., to establish the Medicaid Eligibility Assistance Program for Persons with Disabilities within the Department of Children and Families (DCF) to provide information, referral, and navigation services to assist persons with disabilities in initiating and completing actions necessary to secure Medicaid eligibility and access other community-based support programs that enable individuals to remain in their homes and communities.

Section 5 amends s. 409.967, F.S., to require the AHCA to re-procure contracts with managed care plans in the Statewide Medicaid Managed Care (SMMC) program every 8 years instead of every 6 years, beginning with the contract procurement process initiated during the 2023 calendar year.

The bill also requires the AHCA establish a quality withhold incentive within the current SMMC contracts, with the sole metric of the incentive being infant mortality. The agency is required to withhold two percent of each plans capitated rate each year. The plans will be able to earn a portion or all of the withhold back in the following ways:

- The plan that reduces its rate of infant mortality by the greatest amount compared to other plans shall earn the full two percent withhold.
- The plan that reduces its rate of infant mortality by the greatest number of lives compared to other plans shall earn back the full two percent withhold.
- Each other plan that reduces the rates of infant mortality shall earn back one percent of the withhold.
- For a plan that increases its rate of infant mortality, the agency shall suspend automatic assignment under ss. 409.977 and 409.98, F.S. for a period of four months.

Each plan's performance is based on changes compared to the prior two years in the contract term. The AHCA is required to account for varying plan population sizes in the methodology for measuring performance for the quality withhold incentive, to achieve accurate comparisons of performance.

Section 6 amends s. 409.9885, F.S., to require funding to follow an individual who voluntarily transfers between the home and community-based services waiver program and the Intellectual Developmental Disabilities Pilot Program, at an amount equivalent to the total state share cost of the individual for the remaining months in the fiscal year based on the pilot program's managed care plan monthly rate. The bill directs the Agency for Persons with Disabilities and the AHCA

to reconcile the transfer amount quarterly and authorizes the agencies to submit a budget amendment to transfer the funds.

Section 7 amends s. 409.91196, F.S., to conform a cross-reference.

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:

None.

C. Government Sector Impact:

HB 5001, the House of Representative's General Appropriations Act (GAA) for Fiscal Year 2026-2027, includes \$82.4 million for the AHCA, of which \$36.4 million is from the General Revenue Fund, to increase the quality component of nursing home Medicaid rates from ten percent of non-property funds to 15.2344 percent of non-property funds, effective July 1, 2026.

HB 5001 contains provisions which will positively impact the General Revenue Fund due to removing the authority for the following appropriations:

- \$1 million for administration of the Health Care Innovation Council.
- \$50 million per year over ten years for the revolving loan fund.

The provision of the bill relating to Medicaid reimbursement for long-acting injectables (LAIs) administered to patients with severe mental illness would have an indeterminate fiscal impact to the state. To the extent that increased state-share Medicaid costs associated with reimbursing LAIs are offset by reductions in other mental health or behavioral health expenditures, the net fiscal impact may be mitigated.

Additionally, the provision of the bill establishing the Medicaid Eligibility Assistance for Persons with Disabilities Program would have an indeterminate fiscal impact on the Department of Children and Families. The extent to which additional state staffing resources may be required is currently unknown, and it is unclear whether any such workload increase 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: 409.908, 409.912, 409.967, 409.9855, and 409.91196.

This bill creates section 409.9207 of the Florida Statutes.

This bill repeals section 381.4015 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:

Barcode 356566 by Appropriations on March 2, 2026:

This amendment deletes everything and does not insert additional language.

(WITH TITLE AMENDMENT)



356566

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
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The Committee on Appropriations (Trumbull) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5301

2026

1 A bill to be entitled
 2 An act relating to health care; repealing s. 381.4015,
 3 F.S., relating to Florida health care innovation;
 4 amending s. 409.908, F.S.; revising the payment
 5 methodology for reimbursement of Medicaid providers;
 6 amending s. 409.912, F.S.; revising Medicaid preferred
 7 drug coverage guidelines; creating s. 409.9207, F.S.;
 8 providing legislative intent; providing definitions;
 9 creating the Eligibility Assistance Program within the
 10 Department of Children and Families; providing program
 11 requirements; requiring the department to be operated
 12 by an independent contractor that shall be selected
 13 based on specified criteria; amending s. 409.967,
 14 F.S.; revising the maximum term for Medicaid managed
 15 care contracts; requiring the agency to establish by
 16 contract a quality withhold incentive for certain
 17 purposes; providing requirements for such incentive;
 18 removing obsolete provisions; amending s. 409.9855,
 19 F.S.; providing Medicaid waiver funding requirements
 20 for certain individuals; requiring the Agency for
 21 Persons with Disabilities and the Agency for Health
 22 Care Administration to reconcile funding amounts in a
 23 specified manner; amending s. 409.91196, F.S.;
 24 conforming a provision to changes made by the act;
 25 providing an effective date.

Page 1 of 29

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

hb5301-00

HB 5301

2026

26
 27 Be It Enacted by the Legislature of the State of Florida:
 28
 29 **Section 1.** Section 381.4015, Florida Statutes, is
 30 repealed.
 31 **Section 2. Paragraph (b) of subsection (2) of section**
 32 **409.908, Florida Statutes, as amended by section 25 of chapter**
 33 **2025-199, Laws of Florida, is amended to read:**
 34 409.908 Reimbursement of Medicaid providers.—Subject to
 35 specific appropriations, the agency shall reimburse Medicaid
 36 providers, in accordance with state and federal law, according
 37 to methodologies set forth in the rules of the agency and in
 38 policy manuals and handbooks incorporated by reference therein.
 39 These methodologies may include fee schedules, reimbursement
 40 methods based on cost reporting, negotiated fees, competitive
 41 bidding pursuant to s. 287.057, and other mechanisms the agency
 42 considers efficient and effective for purchasing services or
 43 goods on behalf of recipients. If a provider is reimbursed based
 44 on cost reporting and submits a cost report late and that cost
 45 report would have been used to set a lower reimbursement rate
 46 for a rate semester, then the provider's rate for that semester
 47 shall be retroactively calculated using the new cost report, and
 48 full payment at the recalculated rate shall be effected
 49 retroactively. Medicare-granted extensions for filing cost
 50 reports, if applicable, shall also apply to Medicaid cost

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51 reports. Payment for Medicaid compensable services made on
 52 behalf of Medicaid-eligible persons is subject to the
 53 availability of moneys and any limitations or directions
 54 provided for in the General Appropriations Act or chapter 216.
 55 Further, nothing in this section shall be construed to prevent
 56 or limit the agency from adjusting fees, reimbursement rates,
 57 lengths of stay, number of visits, or number of services, or
 58 making any other adjustments necessary to comply with the
 59 availability of moneys and any limitations or directions
 60 provided for in the General Appropriations Act, provided the
 61 adjustment is consistent with legislative intent.

62 (2)

63 (b) Subject to any limitations or directions in the
 64 General Appropriations Act, the agency shall establish and
 65 implement a state Title XIX Long-Term Care Reimbursement Plan
 66 for nursing home care in order to provide care and services in
 67 conformance with the applicable state and federal laws, rules,
 68 regulations, and quality and safety standards and to ensure that
 69 individuals eligible for medical assistance have reasonable
 70 geographic access to such care.

71 1. The agency shall amend the long-term care reimbursement
 72 plan and cost reporting system to create direct care and
 73 indirect care subcomponents of the patient care component of the
 74 per diem rate. These two subcomponents together shall equal the
 75 patient care component of the per diem rate. Separate prices

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76 shall be calculated for each patient care subcomponent,
 77 initially based on the September 2016 rate setting cost reports
 78 and subsequently based on the most recently audited cost report
 79 used during a rebasing year. The direct care subcomponent of the
 80 per diem rate for any providers still being reimbursed on a cost
 81 basis shall be limited by the cost-based class ceiling, and the
 82 indirect care subcomponent may be limited by the lower of the
 83 cost-based class ceiling, the target rate class ceiling, or the
 84 individual provider target. The ceilings and targets apply only
 85 to providers being reimbursed on a cost-based system. Effective
 86 October 1, 2018, a prospective payment methodology shall be
 87 implemented for rate setting purposes with the following
 88 parameters:

89 a. Peer Groups, including:

90 (I) North-SMMC Regions 1-9, less Palm Beach and Okeechobee
 91 Counties; and
 92 (II) South-SMMC Regions 10-11, plus Palm Beach and
 93 Okeechobee Counties.

94 b. Percentage of Median Costs based on the cost reports
 95 used for September 2016 rate setting:

96 (I) Direct Care Costs.....100 percent.

97 (II) Indirect Care Costs.....92 percent.

98 (III) Operating Costs.....86 percent.

99 c. Floors:

100 (I) Direct Care Component.....95 percent.

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101 (II) Indirect Care Component.....92.5 percent.
 102 (III) Operating Component.....None.
 103 d. Pass-through Payments.....Real Estate and
 104 Personal Property
 105 Taxes and Property Insurance.
 106 e. Quality Incentive Program Payment
 107 Pool.....15.2344 ~~10~~ percent of September
 108 2016 non-property related
 109 payments of included facilities.
 110 f. Quality Score Threshold to Qualify for Quality
 111 Incentive Payment.....33
 112 percent of all available points in
 113 the Medicaid Quality Incentive Program 20th ~~percentile~~
 114 ~~of included facilities.~~
 115 g. Fair Rental Value System Payment Parameters:
 116 (I) Building Value per Square Foot based on 2018 RS Means.
 117 (II) Land Valuation.....10 percent of Gross Building
 118 value.
 119 (III) Facility Square Footage.....Actual Square
 120 Footage.
 121 (IV) Movable Equipment Allowance.....\$8,000 per bed.
 122 (V) Obsolescence Factor.....1.5 percent.
 123 (VI) Fair Rental Rate of Return.....8 percent.
 124 (VII) Minimum Occupancy.....90 percent.
 125 (VIII) Maximum Facility Age.....40 years.

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126 (IX) Minimum Square Footage per Bed.....350.
 127 (X) Maximum Square Footage for Bed.....500.
 128 (XI) Minimum Cost of a
 129 renovation/replacements.....\$500 per bed.
 130 h. Ventilator Supplemental payment of \$200 per Medicaid
 131 day of 40,000 ventilator Medicaid days per fiscal year.
 132 2. The agency shall revise its methodology for calculating
 133 Quality Incentive Program payments to include the results of
 134 consumer satisfaction surveys conducted pursuant to s. 400.0225
 135 as a measure of nursing home quality. The agency shall so revise
 136 the methodology after the surveys have been in effect for an
 137 amount of time the agency deems sufficient for statistical and
 138 scientific validity as a meaningful quality measure that may be
 139 incorporated into the methodology.
 140 3. The direct care subcomponent shall include salaries and
 141 benefits of direct care staff providing nursing services
 142 including registered nurses, licensed practical nurses, and
 143 certified nursing assistants who deliver care directly to
 144 residents in the nursing home facility, allowable therapy costs,
 145 and dietary costs. This excludes nursing administration, staff
 146 development, the staffing coordinator, and the administrative
 147 portion of the minimum data set and care plan coordinators. The
 148 direct care subcomponent also includes medically necessary
 149 dental care, vision care, hearing care, and podiatric care.
 150 4. All other patient care costs shall be included in the

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151 indirect care cost subcomponent of the patient care per diem
 152 rate, including complex medical equipment, medical supplies, and
 153 other allowable ancillary costs. Costs may not be allocated
 154 directly or indirectly to the direct care subcomponent from a
 155 home office or management company.

156 5. On July 1 of each year, the agency shall report to the
 157 Legislature direct and indirect care costs, including average
 158 direct and indirect care costs per resident per facility and
 159 direct care and indirect care salaries and benefits per category
 160 of staff member per facility.

161 6. Every fourth year, the agency shall rebase nursing home
 162 prospective payment rates to reflect changes in cost based on
 163 the most recently audited cost report for each participating
 164 provider.

165 7. A direct care supplemental payment may be made to
 166 providers whose direct care hours per patient day are above the
 167 80th percentile and who provide Medicaid services to a larger
 168 percentage of Medicaid patients than the state average.

169 8. Pediatric, Florida Department of Veterans Affairs, and
 170 government-owned facilities are exempt from the pricing model
 171 established in this subsection and shall remain on a cost-based
 172 prospective payment system. Effective October 1, 2018, the
 173 agency shall set rates for all facilities remaining on a cost-
 174 based prospective payment system using each facility's most
 175 recently audited cost report, eliminating retroactive

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176 settlements.

177 9. By October 1, 2025, and each year thereafter, the
 178 agency shall submit to the Governor, the President of the
 179 Senate, and the Speaker of the House of Representatives a report
 180 on each Quality Incentive Program payment made pursuant to sub-
 181 subparagraph 1.e. The report must, at a minimum, include all of
 182 the following information:

183 a. The name of each facility that received a Quality
 184 Incentive Program payment and the dollar amount of such payment
 185 each facility received.

186 b. The total number of quality incentive metric points
 187 awarded by the agency to each facility and the number of points
 188 awarded by the agency for each individual quality metric
 189 measured.

190 c. An examination of any trends in the improvement of the
 191 quality of care provided to nursing home residents which may be
 192 attributable to incentive payments received under the Quality
 193 Incentive Program. The agency shall include examination of
 194 trends both for the program as a whole as well as for each
 195 individual quality metric used by the agency to award program
 196 payments.

197
 198 It is the intent of the Legislature that the reimbursement plan
 199 achieve the goal of providing access to health care for nursing
 200 home residents who require large amounts of care while

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201 encouraging diversion services as an alternative to nursing home
 202 care for residents who can be served within the community. The
 203 agency shall base the establishment of any maximum rate of
 204 payment, whether overall or component, on the available moneys
 205 as provided for in the General Appropriations Act. The agency
 206 may base the maximum rate of payment on the results of
 207 scientifically valid analysis and conclusions derived from
 208 objective statistical data pertinent to the particular maximum
 209 rate of payment. The agency shall base the rates of payments in
 210 accordance with the minimum wage requirements as provided in the
 211 General Appropriations Act.

212 **Section 3. Paragraph (a) of subsection (5) of section**
 213 **409.912, Florida Statutes, is amended to read:**

214 409.912 Cost-effective purchasing of health care.—The
 215 agency shall purchase goods and services for Medicaid recipients
 216 in the most cost-effective manner consistent with the delivery
 217 of quality medical care. To ensure that medical services are
 218 effectively utilized, the agency may, in any case, require a
 219 confirmation or second physician's opinion of the correct
 220 diagnosis for purposes of authorizing future services under the
 221 Medicaid program. This section does not restrict access to
 222 emergency services or poststabilization care services as defined
 223 in 42 C.F.R. s. 438.114. Such confirmation or second opinion
 224 shall be rendered in a manner approved by the agency. The agency
 225 shall maximize the use of prepaid per capita and prepaid

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226 aggregate fixed-sum basis services when appropriate and other
 227 alternative service delivery and reimbursement methodologies,
 228 including competitive bidding pursuant to s. 287.057, designed
 229 to facilitate the cost-effective purchase of a case-managed
 230 continuum of care. The agency shall also require providers to
 231 minimize the exposure of recipients to the need for acute
 232 inpatient, custodial, and other institutional care and the
 233 inappropriate or unnecessary use of high-cost services. The
 234 agency shall contract with a vendor to monitor and evaluate the
 235 clinical practice patterns of providers in order to identify
 236 trends that are outside the normal practice patterns of a
 237 provider's professional peers or the national guidelines of a
 238 provider's professional association. The vendor must be able to
 239 provide information and counseling to a provider whose practice
 240 patterns are outside the norms, in consultation with the agency,
 241 to improve patient care and reduce inappropriate utilization.
 242 The agency may mandate prior authorization, drug therapy
 243 management, or disease management participation for certain
 244 populations of Medicaid beneficiaries, certain drug classes, or
 245 particular drugs to prevent fraud, abuse, overuse, and possible
 246 dangerous drug interactions. The Pharmaceutical and Therapeutics
 247 Committee shall make recommendations to the agency on drugs for
 248 which prior authorization is required. The agency shall inform
 249 the Pharmaceutical and Therapeutics Committee of its decisions
 250 regarding drugs subject to prior authorization. The agency is

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251 authorized to limit the entities it contracts with or enrolls as
 252 Medicaid providers by developing a provider network through
 253 provider credentialing. The agency may competitively bid single-
 254 source-provider contracts if procurement of goods or services
 255 results in demonstrated cost savings to the state without
 256 limiting access to care. The agency may limit its network based
 257 on the assessment of beneficiary access to care, provider
 258 availability, provider quality standards, time and distance
 259 standards for access to care, the cultural competence of the
 260 provider network, demographic characteristics of Medicaid
 261 beneficiaries, practice and provider-to-beneficiary standards,
 262 appointment wait times, beneficiary use of services, provider
 263 turnover, provider profiling, provider licensure history,
 264 previous program integrity investigations and findings, peer
 265 review, provider Medicaid policy and billing compliance records,
 266 clinical and medical record audits, and other factors. Providers
 267 are not entitled to enrollment in the Medicaid provider network.
 268 The agency shall determine instances in which allowing Medicaid
 269 beneficiaries to purchase durable medical equipment and other
 270 goods is less expensive to the Medicaid program than long-term
 271 rental of the equipment or goods. The agency may establish rules
 272 to facilitate purchases in lieu of long-term rentals in order to
 273 protect against fraud and abuse in the Medicaid program as
 274 defined in s. 409.913. The agency may seek federal waivers
 275 necessary to administer these policies.

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276 (5) (a) The agency shall implement a Medicaid prescribed-
 277 drug spending-control program that includes the following
 278 components:
 279 1. A Medicaid preferred drug list, which shall be a
 280 listing of cost-effective therapeutic options recommended by the
 281 Medicaid Pharmacy and Therapeutics Committee established
 282 pursuant to s. 409.91195 and adopted by the agency for each
 283 therapeutic class on the preferred drug list. At the discretion
 284 of the committee, and when feasible, the preferred drug list
 285 should include at least two products in a therapeutic class. The
 286 agency may post the preferred drug list and updates to the list
 287 on an Internet website without following the rulemaking
 288 procedures of chapter 120. Antiretroviral agents are excluded
 289 from the preferred drug list. The agency shall also limit the
 290 amount of a prescribed drug dispensed to no more than a 34-day
 291 supply unless the drug products' smallest marketed package is
 292 greater than a 34-day supply, or the drug is determined by the
 293 agency to be a maintenance drug in which case a 100-day maximum
 294 supply may be authorized. The agency may seek any federal
 295 waivers necessary to implement these cost-control programs and
 296 to continue participation in the federal Medicaid rebate
 297 program, or alternatively to negotiate state-only manufacturer
 298 rebates. The agency may adopt rules to administer this
 299 subparagraph. The agency shall continue to provide unlimited
 300 contraceptive drugs and items. The agency must establish

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301 procedures to ensure that:

302 a. There is a response to a request for prior
303 authorization by telephone or other telecommunication device
304 within 24 hours after receipt of a request for prior
305 authorization; and

306 b. A 72-hour supply of the drug prescribed is provided in
307 an emergency or when the agency does not provide a response
308 within 24 hours as required by sub-subparagraph a.

309 2. A provider of prescribed drugs is reimbursed in an
310 amount not to exceed the lesser of the actual acquisition cost
311 based on the Centers for Medicare and Medicaid Services National
312 Average Drug Acquisition Cost pricing files plus a professional
313 dispensing fee, the wholesale acquisition cost plus a
314 professional dispensing fee, the state maximum allowable cost
315 plus a professional dispensing fee, or the usual and customary
316 charge billed by the provider.

317 3. The agency shall develop and implement a process for
318 managing the drug therapies of Medicaid recipients who are using
319 significant numbers of prescribed drugs each month. The
320 management process may include, but is not limited to,
321 comprehensive, physician-directed medical-record reviews, claims
322 analyses, and case evaluations to determine the medical
323 necessity and appropriateness of a patient's treatment plan and
324 drug therapies. The agency may contract with a private
325 organization to provide drug-program-management services. The

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326 Medicaid drug benefit management program shall include
327 initiatives to manage drug therapies for HIV/AIDS patients,
328 patients using 20 or more unique prescriptions in a 180-day
329 period, and the top 1,000 patients in annual spending. The
330 agency shall enroll any Medicaid recipient in the drug benefit
331 management program if he or she meets the specifications of this
332 provision and is not enrolled in a Medicaid health maintenance
333 organization.

334 4. The agency may limit the size of its pharmacy network
335 based on need, competitive bidding, price negotiations,
336 credentialing, or similar criteria. The agency shall give
337 special consideration to rural areas in determining the size and
338 location of pharmacies included in the Medicaid pharmacy
339 network. A pharmacy credentialing process may include criteria
340 such as a pharmacy's full-service status, location, size,
341 patient educational programs, patient consultation, disease
342 management services, and other characteristics. The agency may
343 impose a moratorium on Medicaid pharmacy enrollment if it is
344 determined that it has a sufficient number of Medicaid-
345 participating providers. The agency must allow dispensing
346 practitioners to participate as a part of the Medicaid pharmacy
347 network regardless of the practitioner's proximity to any other
348 entity that is dispensing prescription drugs under the Medicaid
349 program. A dispensing practitioner must meet all credentialing
350 requirements applicable to his or her practice, as determined by

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351 the agency.

352 5. A hospital facility administering long-acting
 353 injectables for severe mental illness shall be reimbursed
 354 separately from the diagnosis-related group. Long-acting
 355 injectables administered for severe mental illness in a hospital
 356 facility setting shall be reimbursed at no less than the actual
 357 acquisition cost of the drug.

358 ~~6.5-~~ The agency shall develop and implement a program that
 359 requires Medicaid practitioners who issue written prescriptions
 360 for medicinal drugs to use a counterfeit-proof prescription pad
 361 for Medicaid prescriptions. The agency shall require the use of
 362 standardized counterfeit-proof prescription pads by prescribers
 363 who issue written prescriptions for Medicaid recipients. The
 364 agency may implement the program in targeted geographic areas or
 365 statewide.

366 ~~7.6-~~ The agency may enter into arrangements that require
 367 manufacturers of generic drugs prescribed to Medicaid recipients
 368 to provide rebates of at least 15.1 percent of the average
 369 manufacturer price for the manufacturer's generic products.
 370 These arrangements shall require that if a generic-drug
 371 manufacturer pays federal rebates for Medicaid-reimbursed drugs
 372 at a level below 15.1 percent, the manufacturer must provide a
 373 supplemental rebate to the state in an amount necessary to
 374 achieve a 15.1-percent rebate level.

375 ~~8.7-~~ The agency may establish a preferred drug list as

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376 described in this subsection, and, pursuant to the establishment
 377 of such preferred drug list, negotiate supplemental rebates from
 378 manufacturers that are in addition to those required by Title
 379 XIX of the Social Security Act and at no less than 14 percent of
 380 the average manufacturer price as defined in 42 U.S.C. s. 1936
 381 on the last day of a quarter unless the federal or supplemental
 382 rebate, or both, equals or exceeds 29 percent. There is no upper
 383 limit on the supplemental rebates the agency may negotiate. The
 384 agency may determine that specific products, brand-name or
 385 generic, are competitive at lower rebate percentages. Agreement
 386 to pay the minimum supplemental rebate percentage guarantees a
 387 manufacturer that the Medicaid Pharmaceutical and Therapeutics
 388 Committee will consider a product for inclusion on the preferred
 389 drug list. However, a pharmaceutical manufacturer is not
 390 guaranteed placement on the preferred drug list by simply paying
 391 the minimum supplemental rebate. Agency decisions will be made
 392 on the clinical efficacy of a drug and recommendations of the
 393 Medicaid Pharmaceutical and Therapeutics Committee, as well as
 394 the price of competing products minus federal and state rebates.
 395 The agency may contract with an outside agency or contractor to
 396 conduct negotiations for supplemental rebates. For the purposes
 397 of this section, the term "supplemental rebates" means cash
 398 rebates. Value-added programs as a substitution for supplemental
 399 rebates are prohibited. The agency may seek any federal waivers
 400 to implement this initiative.

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401 ~~9.a.8.a-~~ The agency may implement a Medicaid behavioral
 402 drug management system. The agency may contract with a vendor
 403 that has experience in operating behavioral drug management
 404 systems to implement this program. The agency may seek federal
 405 waivers to implement this program.

406 b. The agency, in conjunction with the Department of
 407 Children and Families, may implement the Medicaid behavioral
 408 drug management system that is designed to improve the quality
 409 of care and behavioral health prescribing practices based on
 410 best practice guidelines, improve patient adherence to
 411 medication plans, reduce clinical risk, and lower prescribed
 412 drug costs and the rate of inappropriate spending on Medicaid
 413 behavioral drugs. The program may include the following
 414 elements:

415 (I) Provide for the development and adoption of best
 416 practice guidelines for behavioral health-related drugs such as
 417 antipsychotics, antidepressants, and medications for treating
 418 bipolar disorders and other behavioral conditions; translate
 419 them into practice; review behavioral health prescribers and
 420 compare their prescribing patterns to a number of indicators
 421 that are based on national standards; and determine deviations
 422 from best practice guidelines.

423 (II) Implement processes for providing feedback to and
 424 educating prescribers using best practice educational materials
 425 and peer-to-peer consultation.

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426 (III) Assess Medicaid beneficiaries who are outliers in
 427 their use of behavioral health drugs with regard to the numbers
 428 and types of drugs taken, drug dosages, combination drug
 429 therapies, and other indicators of improper use of behavioral
 430 health drugs.

431 (IV) Alert prescribers to patients who fail to refill
 432 prescriptions in a timely fashion, are prescribed multiple same-
 433 class behavioral health drugs, and may have other potential
 434 medication problems.

435 (V) Track spending trends for behavioral health drugs and
 436 deviation from best practice guidelines.

437 (VI) Use educational and technological approaches to
 438 promote best practices, educate consumers, and train prescribers
 439 in the use of practice guidelines.

440 (VII) Disseminate electronic and published materials.

441 (VIII) Hold statewide and regional conferences.

442 (IX) Implement a disease management program with a model
 443 quality-based medication component for severely mentally ill
 444 individuals and emotionally disturbed children who are high
 445 users of care.

446 10.9- The agency shall implement a Medicaid prescription
 447 drug management system.

448 a. The agency may contract with a vendor that has
 449 experience in operating prescription drug management systems in
 450 order to implement this system. Any management system that is

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451 implemented in accordance with this subparagraph must rely on
 452 cooperation between physicians and pharmacists to determine
 453 appropriate practice patterns and clinical guidelines to improve
 454 the prescribing, dispensing, and use of drugs in the Medicaid
 455 program. The agency may seek federal waivers to implement this
 456 program.

457 b. The drug management system must be designed to improve
 458 the quality of care and prescribing practices based on best
 459 practice guidelines, improve patient adherence to medication
 460 plans, reduce clinical risk, and lower prescribed drug costs and
 461 the rate of inappropriate spending on Medicaid prescription
 462 drugs. The program must:

463 (I) Provide for the adoption of best practice guidelines
 464 for the prescribing and use of drugs in the Medicaid program,
 465 including translating best practice guidelines into practice;
 466 reviewing prescriber patterns and comparing them to indicators
 467 that are based on national standards and practice patterns of
 468 clinical peers in their community, statewide, and nationally;
 469 and determine deviations from best practice guidelines.

470 (II) Implement processes for providing feedback to and
 471 educating prescribers using best practice educational materials
 472 and peer-to-peer consultation.

473 (III) Assess Medicaid recipients who are outliers in their
 474 use of a single or multiple prescription drugs with regard to
 475 the numbers and types of drugs taken, drug dosages, combination

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476 drug therapies, and other indicators of improper use of
 477 prescription drugs.

478 (IV) Alert prescribers to recipients who fail to refill
 479 prescriptions in a timely fashion, are prescribed multiple drugs
 480 that may be redundant or contraindicated, or may have other
 481 potential medication problems.

482 ~~11.10-~~ The agency may contract for drug rebate
 483 administration, including, but not limited to, calculating
 484 rebate amounts, invoicing manufacturers, negotiating disputes
 485 with manufacturers, and maintaining a database of rebate
 486 collections.

487 ~~12.11-~~ The agency may specify the preferred daily dosing
 488 form or strength for the purpose of promoting best practices
 489 with regard to the prescribing of certain drugs as specified in
 490 the General Appropriations Act and ensuring cost-effective
 491 prescribing practices.

492 ~~13.12-~~ The agency may require prior authorization for
 493 Medicaid-covered prescribed drugs. The agency may prior-
 494 authorize the use of a product:

495 a. For an indication not approved in labeling;

496 b. To comply with certain clinical guidelines; or

497 c. If the product has the potential for overuse, misuse,
 498 or abuse.

499

500 The agency may require the prescribing professional to provide

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501 information about the rationale and supporting medical evidence
 502 for the use of a drug. The agency shall post prior
 503 authorization, step-edit criteria and protocol, and updates to
 504 the list of drugs that are subject to prior authorization on the
 505 agency's Internet website within 21 days after the prior
 506 authorization and step-edit criteria and protocol and updates
 507 are approved by the agency. For purposes of this subparagraph,
 508 the term "step-edit" means an automatic electronic review of
 509 certain medications subject to prior authorization.

510 ~~14.13-~~ The agency, in conjunction with the Pharmaceutical
 511 and Therapeutics Committee, may require age-related prior
 512 authorizations for certain prescribed drugs. The agency may
 513 preauthorize the use of a drug for a recipient who may not meet
 514 the age requirement or may exceed the length of therapy for use
 515 of this product as recommended by the manufacturer and approved
 516 by the Food and Drug Administration. Prior authorization may
 517 require the prescribing professional to provide information
 518 about the rationale and supporting medical evidence for the use
 519 of a drug.

520 15.14- The agency shall implement a step-therapy prior
 521 authorization approval process for medications excluded from the
 522 preferred drug list. Medications listed on the preferred drug
 523 list must be used within the previous 12 months before the
 524 alternative medications that are not listed. The step-therapy
 525 prior authorization may require the prescriber to use the

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526 medications of a similar drug class or for a similar medical
 527 indication unless contraindicated in the Food and Drug
 528 Administration labeling. The trial period between the specified
 529 steps may vary according to the medical indication. The step-
 530 therapy approval process shall be developed in accordance with
 531 the committee as stated in s. 409.91195(7) and (8). A drug
 532 product may be approved without meeting the step-therapy prior
 533 authorization criteria if the prescribing physician provides the
 534 agency with additional written medical or clinical documentation
 535 that the product is medically necessary because:

536 a. There is not a drug on the preferred drug list to treat
 537 the disease or medical condition which is an acceptable clinical
 538 alternative;

539 b. The alternatives have been ineffective in the treatment
 540 of the beneficiary's disease;

541 c. The drug product or medication of a similar drug class
 542 is prescribed for the treatment of schizophrenia or schizotypal
 543 or delusional disorders; prior authorization has been granted
 544 previously for the prescribed drug; and the medication was
 545 dispensed to the patient during the previous 12 months; or

546 d. Based on historical evidence and known characteristics
 547 of the patient and the drug, the drug is likely to be
 548 ineffective, or the number of doses have been ineffective.

549
 550 The agency shall work with the physician to determine the best

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551 alternative for the patient. The agency may adopt rules waiving
 552 the requirements for written clinical documentation for specific
 553 drugs in limited clinical situations.

554 ~~16.15.~~ The agency shall implement a return and reuse
 555 program for drugs dispensed by pharmacies to institutional
 556 recipients, which includes payment of a \$5 restocking fee for
 557 the implementation and operation of the program. The return and
 558 reuse program shall be implemented electronically and in a
 559 manner that promotes efficiency. The program must permit a
 560 pharmacy to exclude drugs from the program if it is not
 561 practical or cost-effective for the drug to be included and must
 562 provide for the return to inventory of drugs that cannot be
 563 credited or returned in a cost-effective manner. The agency
 564 shall determine if the program has reduced the amount of
 565 Medicaid prescription drugs which are destroyed on an annual
 566 basis and if there are additional ways to ensure more
 567 prescription drugs are not destroyed which could safely be
 568 reused.

569 **Section 4. Section 409.9207, Florida Statutes, is created**
 570 **to read:**

571 409.9207 Medicaid eligibility assistance for persons with
 572 disabilities.—

573 (1) LEGISLATIVE INTENT.—It is the intent of the
 574 Legislature to create a program that supports and enables
 575 persons with disabilities to become Medicaid eligible. The

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576 Department of Children and Families shall be responsible for
 577 this program; however, all agencies with any duties related to
 578 Medicaid are responsible for collaborating with the department
 579 and the independent contractor selected to implement the
 580 program.

581 (2) DEFINITIONS.—As used in this section, unless otherwise
 582 specified, the term:

583 (a) "Agency" means any state or local governmental entity.

584 (b) "Independent contractor" means a nonprofit
 585 organization with experience operating an information and
 586 referral program that includes person-centered services to
 587 successfully navigate eligibility procedures for state and
 588 federal assistance.

589 (c) "Persons with disabilities" means any person who has
 590 one or more permanent physical or mental limitations which
 591 restrict his or her ability to perform the normal activities of
 592 daily living and impede his or her capacity to live
 593 independently with relatives or friends without the provision of
 594 community-based services.

595 (3) (a) ELIGIBILITY ASSISTANCE PROGRAM.—The Eligibility
 596 Assistance Program is created within the Department of Children
 597 and Families to offer information, referral, and navigation
 598 services to persons with disabilities to initiate and
 599 successfully complete the actions required to secure eligibility
 600 for Medicaid and other community-based services enabling such

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601 persons to remain in their homes and communities.

602 (b) The program shall be operated by an independent
 603 contractor selected based on the following criteria:

604 1. A tax-exempt organization incorporated in this state
 605 and in good standing with the Division of Corporations of the
 606 Department of State.

607 2. At least 20 years' experience operating local or
 608 regional programs that provide services for persons with
 609 disabilities.

610 3. Capability to operate call center and online access
 611 points.

612 **Section 5. Subsection (1) and paragraph (f) of subsection**
 613 **(2) of section 409.967, Florida Statutes, are amended to read:**

614 409.967 Managed care plan accountability.—

615 (1) Beginning with the contract procurement process
 616 initiated during the 2023 calendar year, the agency shall
 617 establish a 8-year ~~6-year~~ contract with each managed care plan
 618 selected through the procurement process described in s.
 619 409.966. A plan contract may not be renewed; however, the agency
 620 may extend the term of a plan contract to cover any delays
 621 during the transition to a new plan. ~~The agency shall extend~~
 622 ~~until December 31, 2024, the term of existing plan contracts~~
 623 ~~awarded pursuant to the invitation to negotiate published in~~
 624 ~~July 2017.~~

625 (2) The agency shall establish such contract requirements

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626 as are necessary for the operation of the statewide managed care
 627 program. In addition to any other provisions the agency may deem
 628 necessary, the contract must require:

629 (f) Continuous improvement.—The agency shall establish
 630 specific performance standards and expected milestones or
 631 timelines for improving performance over the term of the
 632 contract.

633 1. Each managed care plan shall establish an internal
 634 health care quality improvement system, including enrollee
 635 satisfaction and disenrollment surveys. The quality improvement
 636 system must include incentives and disincentives for network
 637 providers.

638 2. Each managed care plan must collect and report the
 639 Healthcare Effectiveness Data and Information Set (HEDIS)
 640 measures, the federal Core Set of Children's Health Care Quality
 641 measures, and the federal Core Set of Adult Health Care Quality
 642 Measures, as specified by the agency. Each plan must collect and
 643 report the Adult Core Set behavioral health measures beginning
 644 with data reports for the 2025 calendar year. Each plan must
 645 stratify reported measures by age, sex, race, ethnicity, primary
 646 language, and whether the enrollee received a Social Security
 647 Administration determination of disability for purposes of
 648 Supplemental Security Income beginning with data reports for the
 649 2026 calendar year. A plan's performance on these measures must
 650 be published on the plan's website in a manner that allows

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651 recipients to reliably compare the performance of plans. The
 652 agency shall use the measures as a tool to monitor plan
 653 performance.

654 3. Each managed care plan must be accredited by the
 655 National Committee for Quality Assurance, the Joint Commission,
 656 or another nationally recognized accrediting body, or have
 657 initiated the accreditation process, within 1 year after the
 658 contract is executed. For any plan not accredited within 18
 659 months after executing the contract, the agency shall suspend
 660 automatic assignment under ss. 409.977 and 409.984.

661 4. The agency shall establish by contract a quality
 662 withhold incentive to generate plan competition and improvement
 663 in a single quality measure over the course of the contract
 664 term. For the contract term ending in 2033, the sole metric for
 665 a quality withhold incentive is infant mortality. Each year, the
 666 agency shall withhold 2 percent of the plan's capitation rate. A
 667 plan may earn back the withheld amount based on the compared
 668 performance of the prior 2 years or from the beginning of the
 669 contract term, as follows:

670 a. The plan that reduces its rate of infant mortality by
 671 the greatest amount compared to other plans shall earn the full
 672 2 percent withhold.

673 b. The plan that reduces its rate of infant mortality by
 674 the greatest number of lives compared to other plans shall earn
 675 back the full 2 percent withhold.

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676 c. Every other plan that reduces the rates of infant
 677 mortality shall earn back 1 percent of the withhold.

678 d. For a plan that increases its rate of infant mortality,
 679 the agency shall suspend automatic assignment under ss. 409.977
 680 and 409.984 for a period of 4 months.

681 The agency's methodology for measuring performance for the
 682 quality withhold incentive must account for varying plan
 683 population sizes to achieve accurate comparisons of performance.

684 **Section 6. Subsection (8) is added to section 409.9855,**
 685 **Florida Statutes, to read:**

686 409.9855 Pilot program for individuals with developmental
 687 disabilities.—

688 (8) WAIVER TRANSFER FUNDING.—

689 (a) For individuals enrolled in the Medicaid home and
 690 community-based services waiver program under chapter 393 who
 691 choose to enroll in the pilot program, funding associated with
 692 the individual shall be transferred from the Agency for Persons
 693 with Disabilities to the Agency for Health Care Administration.
 694 The funding shall be equivalent to the total state share cost of
 695 the individual for the remaining months in the fiscal year based
 696 on the pilot program's managed care plan monthly rate.

697 (b) For individuals enrolled in the pilot program who
 698 choose to enroll in the Medicaid home and community-based
 699 services waiver program under chapter 393, funding associated
 700 with the individual shall be transferred from the Agency for Persons

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with the individual shall be transferred from the Agency for Health Care Administration to the Agency for Persons with Disabilities. The funding shall be equivalent to the total state share cost of the individual for the remaining months in the fiscal year based on the pilot program's managed care plan monthly rate.

(c) The Agency for Persons with Disabilities and the Agency for Health Care Administration shall reconcile the amounts on a quarterly basis. The Agency for Health Care Administration may submit a budget amendment pursuant to chapter 216 to transfer the funds between the agencies.

Section 7. Subsection (1) of section 409.91196, Florida Statutes, is amended to read:

409.91196 Supplemental rebate agreements; public records and public meetings exemption.—

(1) The rebate amount, percent of rebate, manufacturer's pricing, and supplemental rebate, and other trade secrets as defined in s. 688.002 that the agency has identified for use in negotiations, held by the Agency for Health Care Administration under s. 409.912(5)(a)8. ~~s. 409.912(5)(a)7.~~ are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

Section 8. This act shall take effect July 1, 2026.



356566

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Trumbull) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

Florida
HEALTH



Florida Health Care Innovation Council Annual Report

December 1, 2025

Ron DeSantis
Governor

Joseph A. Ladapo, MD, PhD
State Surgeon General

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Executive Summary

The Health Care Innovation (HCI) Council, established in 2024 under section 381.4015, Florida Statutes, has completed its first full year of operation. Guided by the HCI Strategic Framework, adopted in 2025, the council achieved critical milestones that position Florida to become a national leader in health care innovation.

This annual report submitted pursuant to section 381.4015(4)(g), F.S., provides an update on the status of health care delivery in Florida, documents the council's 2025 accomplishments, and establishes a roadmap for transformative change in 2026.

Key 2025 Accomplishments

During Fiscal Year 2024-25, the council:

1. Adopted the HCI Strategic Framework establishing a patient-centered mission and six strategic goals aligned with statutory requirements
2. Developed a comprehensive loan evaluation scoring framework using a 100-point scale to assess applications for the \$50 million annual revolving loan program
3. Adopted emergency rules (Rules 64WER25-3 and 64WER25-4, Florida Administrative Code), pursuant to statutory authorization, to implement the revolving loan program
4. Launched the Innovation Hub website (Innovation.FloridaHealth.gov) to serve as a central resource for stakeholders statewide
5. Deployed the loan application portal to support low-interest financing for innovative health care solutions
6. Opened the first application period (October 3 through November 17, 2025) to accept proposals from eligible Florida health care facilities
7. Created a catalog of alternative funding sources to assist Florida health care entities in identifying additional resources
8. Established operational infrastructure including a tiered review process and evaluation criteria for scaling innovation across the state

Vision for 2026

With foundational elements now in place, the council is positioned to shift from planning to implementation in 2026. The Health Care Innovation Revolving Loan Program will begin funding innovative projects across Florida's health care landscape, while enhanced stakeholder engagement will drive evidence-based best practices and measurable improvements in patient outcomes, access, and cost efficiency.

Council Members

Ex Officio Nonvoting Members

Jay Collins, Lieutenant Governor, State of Florida

Dr. Joseph A. Ladapo, State Surgeon General, Florida Department of Health

Michelle Branham, Secretary, Department of Elder Affairs

Shevaun Harris, Secretary, Agency for Health Care Administration

Taylor Hatch, Secretary, Department of Children and Families

Robert Asztalos, Director, Agency for Persons with Disabilities

Voting Members

Dr. Deborah German, Dean, College of Medicine, University of Central Florida

John D. Couris, President and CEO, Tampa General Hospital

Richard Caplin, Founder and Chairman, Caplin Ventures

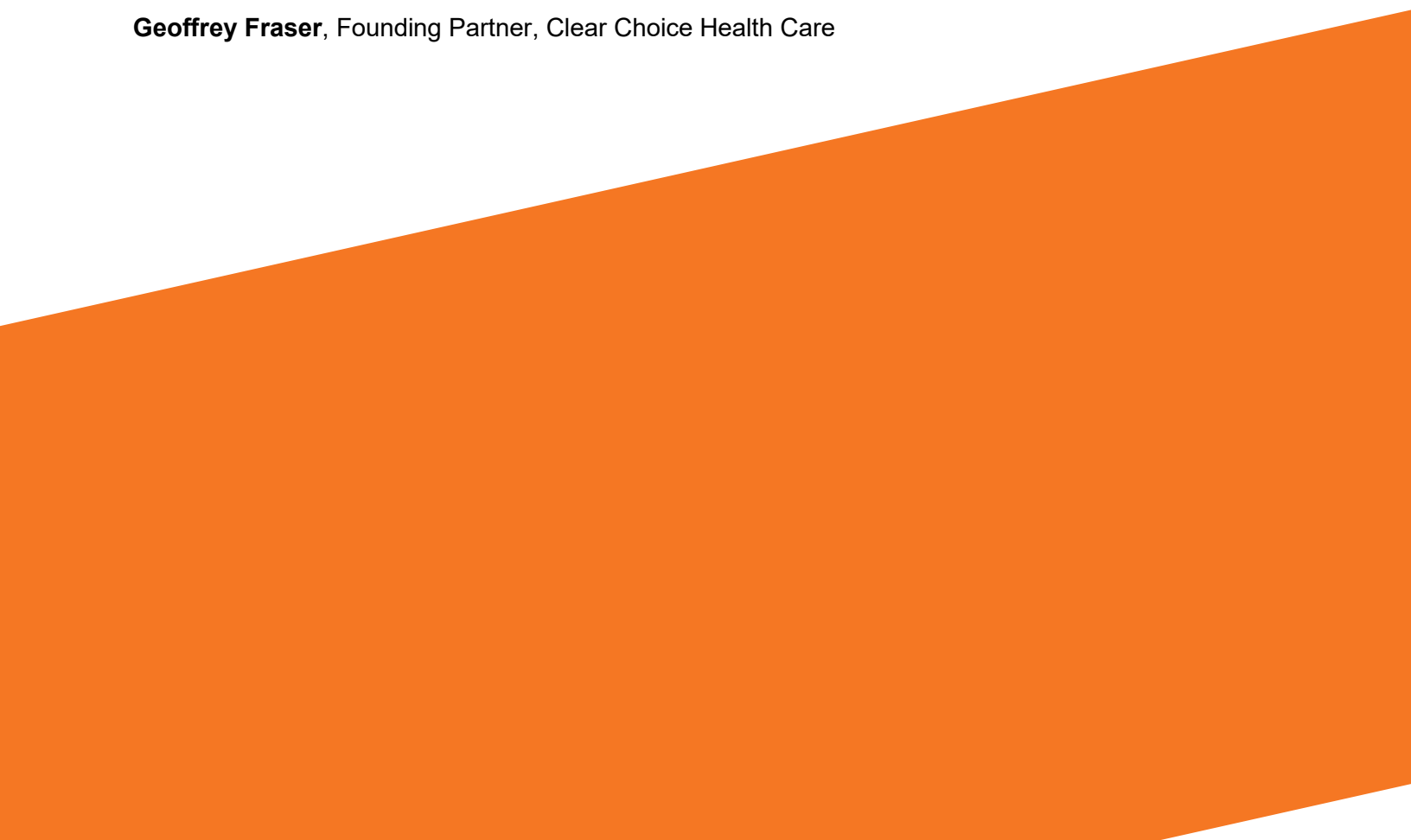
Dr. Roberto Diaz, Senior Medical Director, Moffitt Cancer Center

Dr. Amit Rastogi, President and CEO, Jupiter Medical Center

Dr. Rylan Douthett, Clinical Assistant Professor, Florida State University

Thomas Sabatino, Former EVP and General Counsel, Rite Aid

Geoffrey Fraser, Founding Partner, Clear Choice Health Care



Mission Statement, Purpose, and Goals

The Health Care Innovation Council adopted the HCI Strategic Framework in 2025 to guide transformative improvements in Florida's health care system.

Mission Statement

Informed by Floridians in need through proactive engagement and seamless care coordination, the mission of the Health Care Innovation Council is to transform Florida's health care system through patient-centered service delivery models, innovative technologies, and health care workforce pathways, with the overarching goal to improve care quality, efficiency, and accessibility, putting patients first, while reducing costs for the state.

Council Purpose

The purpose of the council is to support better patient outcomes, reduce costs, promote health and wellness through seamless care coordination, and establish Florida as a leader in emerging health care technology and system efficiencies. The council will work to address workforce shortages, enhance delivery models, and ensure the cybersecurity and interoperability of health care systems. By fulfilling its mission, the council aims to achieve systematic improvements across the state's health care infrastructure.

Council Goals

1. **Improve Patient Outcomes and Expand Access to Care:** Leverage innovative technologies and new care delivery models to improve patient outcomes; promote health and wellness through proactive interventions, seamless care coordination, and enhanced patient engagement; and expand access to care, particularly in underserved communities.
2. **Reduce Health Care Costs:** Work to reduce health care costs while maintaining or improving the quality of care delivered to patients.
3. **Enhance Efficiency in Health Care Delivery:** Reduce administrative burdens and streamline processes to improve the overall efficiency of health care services through enhanced interoperability and seamless care coordination.
4. **Foster Health Care Innovation:** Encourage collaboration among entrepreneurs, health care professionals, and policymakers to drive health care innovation that is scalable across the state to maximize impact.
5. **Strengthen Florida's Health Care Workforce:** Address workforce shortages and improve workplace efficiency through innovative workforce pathways.
6. **Promote Cybersecurity and Interoperability:** Foster a secure and interoperable health care environment that facilitates the seamless exchange of information across systems.

2025 Council Activities and Achievements

The council's inaugural year was marked by significant accomplishments despite substantial operational challenges due to a temporary vacancy in the chair position that somewhat delayed the council's work.

Strategic Framework Development and Adoption

In June 2025, the council formally adopted the HCI Strategic Framework following extensive deliberation and member input. This framework establishes the foundation for all council activities and aligns with statutory mandates under section 381.4015, F.S.

The framework emphasizes patient-centered care through its distinctive mission statement lead-in: Informed by Floridians in need through proactive engagement and seamless care coordination. This language reflects the council's commitment to putting patients first while addressing systemic challenges including workforce shortages, delivery inefficiencies, and cybersecurity vulnerabilities.

The strategic framework's six goals directly support the legislative intent to harness the innovation and creativity of entrepreneurs and businesses and, together with the state's health care system and stakeholders, transform health care delivery across Florida.

Loan Evaluation Scoring Framework

Criteria	Points	Key Considerations
Strategic Impact	30	Evaluates alignment with council priorities, including patient outcomes, access to care in underserved areas, care coordination, and scalability potential. This criterion prioritizes projects that address Florida's most pressing health care challenges.
Return on Investment	25	Assesses measurable objectives such as reducing disease burden, lowering health care costs, or improving operational efficiency. Projects must demonstrate clear metrics for success and sustainable financial models.
Strength of Implementation	20	Examines the applicant's capacity to execute the proposed project, including organizational experience, timeline feasibility, and resource availability. This criterion ensures funded projects have realistic implementation plans.
Patient Outcomes and Population Benefits	15	Measures anticipated improvements in patient health, quality of life, and wellness. Emphasis is placed on preventive interventions including nutrition, mental health, and chronic disease management.
Geographic Priority	5	Awards additional points to applicants located in rural or medically underserved areas as designated by the Florida Department of Health, consistent with statutory priority requirements.
Nonprofit - Medicaid patients	5	Provides preference for nonprofit entities that accept Medicaid patients, ensuring the program serves Florida's most vulnerable populations.

A major achievement of the June 2025 council meeting was the development and approval of a

comprehensive loan evaluation scoring framework. This 100-point assessment framework ensures objective, merit-based evaluation of applications for the revolving loan program and includes:

Tiered Loan Review Process

To enhance operational efficiency while maintaining rigorous oversight, the council established a tiered review process:

Loans Under \$500,000

Reviewed and approved by a council subcommittee of at least five members representing diverse focus areas. This streamlined approach enables faster decisions for smaller-scale innovations.

Loans Between \$500,000 and \$2 Million

Recommended by the subcommittee with final approval by the full council, balancing efficiency with comprehensive review for mid-range investments.

Loans Over \$2 Million

Require full council review and approval, ensuring maximum scrutiny for the program's largest investments. The subcommittee may request applicant presentations to clarify project details and address questions.

This tiered review structure allows the council to efficiently process loans of varying sizes while maintaining appropriate oversight based on investment scale and risk.

Florida Department of Health Digital Infrastructure Development

The Florida Department of Health (Department), in fulfillment of its statutory support role under section 381.4015(6), F.S., achieved the following key milestones:

- Emergency rule adoption
- Innovation hub website creation
- Loan application portal launch
- Alternative funding sources catalogue development

Emergency Rules Adoption

The Department adopted emergency rules pursuant to section 120.54(4), F.S., and as authorized by section 2, Chapter 2024-16, Laws of Florida, to implement the revolving loan program. Emergency rules 64WER25-3 and 64WER25-4, F.A.C., were published in the Florida Administrative Register on October 3, 2025, establishing:

- Application procedures and requirements
- Loan evaluation criteria and processes
- Eligibility determinations and priority categories
- Award amounts and loan terms
- Repayment schedules and fund management

- Performance monitoring and reporting requirements

These emergency rules provide the regulatory framework necessary for program operations while permanent rules undergo the full rulemaking process.

Innovation Hub Website Launch

The Department launched the council's dedicated website at Innovation.FloridaHealth.gov. The website serves as a central resource for stakeholders – providing information about the council's mission, upcoming meetings, funding opportunities, and best practices – and enhances transparency and public access to council activities.

Loan Application Portal Deployment

The Department developed and launched a comprehensive loan application portal at [Florida Health Care Innovation Loan Application](https://FloridaHealthCareInnovationLoanApplication), enabling eligible Florida health care facilities to submit proposals for innovative projects. The portal streamlines the application process and ensures consistent data collection for evaluation purposes.

Additional Investment Resources

Research was conducted and a comprehensive database was developed and includes additional federal, state, and private opportunities available for health care innovation funding. This database lives on the innovation hub website and will be periodically updated to include new funding opportunities. This resource helps Florida health care entities identify complementary funding sources beyond the revolving loan program, maximizing the state's ability to drive innovation through multiple channels.

Council Meetings and Public Engagement

The council maintained its commitment to public engagement and transparency as it carried out the following activities:

- Convened a virtual organizational meeting in September 2024, as required by statute
- Held an in-person inaugural meeting on November 19, 2024, at Florida State University, College of Global Entrepreneurship, where the council identified the four key priority areas for innovation
- Held a hybrid meeting on June 26, 2025, with strong member participation and over 40 public attendees and stakeholders, demonstrating significant interest from Florida's health care innovation community
- Maintained compliance with Florida's Sunshine Law and public records requirements throughout all proceedings

The council's commitment to geographic diversity in meeting locations will increase public access and engagement in 2026.

Operational Preparations

Additional groundwork completed in 2025 includes:

- Contract negotiations and procurement of a third-party administrator for loan servicing
- Development of application review protocols and timelines
- Establishment of conflict-of-interest procedures and financial disclosure requirements for council members
- Coordination between the council and Department staff to ensure seamless program operation

Stakeholder Implementation of Best Practices

Section 381.4015(4)(g), F.S., requires the annual report to include information on implementation of best practices by health care industry stakeholders in this state.

In 2025, the council's activities focused primarily on establishing the Health Care Innovation Revolving Loan Program operational framework, evaluation criteria, and digital infrastructure required to effectively support and monitor innovation across Florida's health care sector.

However, with these foundational elements now in place, the council is well-positioned to document stakeholder best practice activities beginning in 2026.

Revolving Loan Program

The Health Care Innovation Revolving Loan Program, administered by the Department under section 381.4015(7), F.S., represents the council's primary mechanism for funding innovative health care solutions across the state. The program made substantial operational progress in 2025, establishing the infrastructure necessary for launch.

First Application Period Launched

The revolving loan program achieved a significant milestone with the launch of its first application period from October 3, through November 17, 2025. This 45-day application window represents the loan program's transition from planning to active operations.

The application period was widely publicized to eligible stakeholders including:

- Health care facilities licensed by the Florida Agency for Health Care Administration
- Educational and clinical training providers in partnership with eligible facilities
- Rural hospitals and nonprofit entities serving Medicaid patients
- Professional associations and industry groups

Applications submitted during this period are currently under review by the council using the approved 100-point scoring framework and tiered review process. The council anticipates announcing the first loan awards in early 2026, with projects beginning implementation shortly thereafter.

Preparing for 2026 Health Care Innovation Activities

The council's 2025 groundwork positions it to significantly expand innovation exploration and development activities in 2026.

Public Forum Planning

Consistent with section 381.4015(4)(b), F.S., the council will facilitate public meetings across Florida where innovators, developers, and implementers can present information and lead discussions on concepts addressing health care system challenges. These forums will:

- Ensure geographic diversity by rotating meeting locations across regions
- Provide opportunities for in-person demonstrations of innovative solutions
- Encourage participation from emerging and early-stage innovators through coordination with Small Business Development Center Network, Florida Opportunity Fund, and other business incubators
- Bring together technical experts in system integration, cloud computing, artificial intelligence, and cybersecurity to discuss implementation strategies

Best Practice Development

In 2026, the council will begin fulfilling its statutory duty under section 381.4015(4)(d), F.S., to develop best practice recommendations through:

- Consultation with health care experts, providers, technology experts, and the public
- Analysis of innovations and service delivery models presented at public forums
- Review of loan recipient implementation experiences and outcomes
- Synthesis of evidence-based guidelines distinguished by practice setting

These best practices will address council priority areas and provide actionable guidance on exploring and implementing innovations, selecting technologies, and scaling successful solutions statewide.

Tracking and Reporting

Once the revolving loan program begins funding projects, the council will implement comprehensive tracking mechanisms to monitor:

- Implementation progress by loan recipients
- Adoption of best practices developed and recommended by the council
- Measurable outcomes including patient health improvements, cost reductions, and access expansion
- Scalability and replication of successful innovations across Florida

Statewide Innovation Landscape

The council will expand its monitoring beyond loan recipients to document broader trends in health care innovation adoption across Florida, including but not limited to:

- Telehealth expansion and utilization patterns
- Workforce development initiatives and educational partnerships
- Technology integration projects addressing interoperability and cybersecurity
- Alternative care delivery models reducing emergency room utilization

The council's website will serve as a repository for success stories, case studies, and implementation data, ensuring transparency and facilitating knowledge sharing across Florida's health care community.

Innovation Recognition

The council will establish an annual recognition program under section 381.4015(4)(c), F.S., to distinguish the most impactful innovations helping Floridians live brighter and healthier lives. Recognition criteria will emphasize:

- Positive impact demonstrated in Florida
- Potential to scale impact through growth or replication
- Cutting-edge advancements accelerating health care transformation

The council may develop a distinctive logo for award recipients to advertise their achievements, enhancing visibility for Florida's health care innovators.

Conclusion

The council's inaugural year established the operational foundation necessary to transform Florida's health care system through innovation, technology, and collaboration. The council achieved remarkable momentum in the second half of the year, culminating in the successful launch of the first Health Care Innovation Revolving Loan Program application period from October through November 2025.

Critical accomplishments include adopting a comprehensive strategic framework, developing objective loan evaluation criteria, implementing emergency rules, launching digital infrastructure, and opening applications to eligible Florida health care facilities.

These achievements position Florida to harness the innovation and creativity of entrepreneurs, businesses, and health care stakeholders in addressing systemic challenges including workforce shortages, delivery inefficiencies, and access barriers.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5403

INTRODUCER: Justice Budget Subcommittee and Representative Maney

SUBJECT: Correctional Facilities Financing and Capital Improvements

DATE: February 27, 2026

REVISED: 3/2/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Atchley	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5403 conforms existing law to the proposed Fiscal Year 2026-2027 House of Representatives' General Appropriations Act. The bill establishes legislative intent to provide funding to address critical fixed capital outlay needs of the Department of Corrections (FDC). Specifically, the bill:

- Requires the Legislature to appropriate \$250 million in recurring funds from the General Revenue Fund to the FDC, notwithstanding the transfer to the Debt Reduction Program, beginning in Fiscal Year 2026-2027 and continuing through 2066-2067.
- Requires FDC to utilize specifically appropriated funding to develop and implement a capital improvement plan for new and existing correctional facilities.
- Requires such funding to be used for specific priorities and directs the FDC to begin planning and design of one new 4,800-bed correctional institution and one new 600-bed hospital unit, beginning on July 1, 2026.
- Requires FDC to submit recommendations for the use of funds through its annual legislative budget request and submit a specified report upon the completion of new construction projects.
- Authorizes the Division of Bond Finance (division) to issue bonds for specific construction activities under certain circumstances.
- Creates a financing oversight committee to recommend the most cost-effective method of financing construction for new correctional facilities.

The bill notwithstanding the \$250 million annual transfer of funds from the General Revenue Fund to the division for the Debt Reduction Program and requires the Legislature to appropriate \$250

million in recurring funds to the FDC for fixed capital outlay needs. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

Capital Improvements to State-Owned Correctional Facilities

The FDC operates 134 facilities statewide, including more than 50 major institutions, annexes, work camps, road prisons, re-entry centers, and work-release centers which house approximately 90,000 inmates.¹ Over the last five fiscal years, the department has been appropriated an average of \$30.6 million per year to address fixed capital outlay needs.² However, the department's average request of \$100.7 million per year for the same period indicates significant remaining need.

In Fiscal Year 2022-2023, the Department of Management Services was appropriated \$5 million to competitively procure a multi-year master plan to address repair, maintenance, or replacement of FDC facilities.³ The contract was awarded to KPMG, LLP, which submitted the master plan ("KPMG report") to the Legislature in December 2023. The KPMG report included the following findings:

- Approximately one-third of FDC physical sites, representing a combined 7,900,000 square feet, were assessed to be in "critical" or "poor" condition.
- Of the facility sites assessed in "critical" or "poor" condition, most are outdated or atypical models from the 1970s and 1980s that have reached the end of their effective life despite the department's best efforts to maintain them.
- Facilities based on the oldest and non-prototypical models were assessed to require nearly \$1.6 billion in immediate needs for remediation, including life safety, building envelope, and security concerns.
- The total expected capital needs of the department are as high as \$6 billion over the next 20 years.
- To maximize available capital outlay resources and manage the growing inmate population, the department will need to construct at least one 4,800-bed prison and one 600-bed hospital by 2030.⁴

In recent years, the Legislature has invested significantly in long-term plans to address deteriorating conditions at correctional facilities. The Fiscal Year 2020-2021 GAA provided \$2 million to contract for an independently-prepared master plan for repair, maintenance, or replacement of FDC facilities, which was subsequently vetoed by the Governor.⁵ The Fiscal Year 2022-2023 GAA provided \$850 million for planning, design, and construction of a new

¹ Florida Department of Corrections (FDC), <https://www.fdc.myflorida.com/institutions> (last visited Feb. 16, 2026).

² The five year average appropriation excludes \$850 million in new correctional facility construction funding that was vetoed from ch. 2022-156, Laws of Fla.

³ Chapter 2022-156, specific appropriation 2781A, Laws of Fla.

⁴ KPMG, *Final Multi-Year Master Plan (FAR-D16). Charting a Path to a Safer, More Efficient Correctional System* (December 27, 2023). [FL-DMS-Final-Multi-Year-Master-Plan-FAR-D16.pdf](#) (last visited Feb. 25, 2026).

⁵ Chapter 2020-111, specific appropriation 586A, Laws of Fla.

4,500-bed correctional facility and 250-bed hospital unit, which was subsequently vetoed by the Governor.⁶ The Fiscal Year 2024-2025 GAA provided \$100 million in recurring fixed capital outlay funding to address the needs outlined by the KPMG report.⁷ However, the \$56.4 million portion earmarked for construction of new or expanded housing units was subsequently realigned in Fiscal Year 2025-2026 to address critical deficits in correctional officer salaries and benefits, which the department has been unable to reconcile for the past two fiscal years.

Division of Bond Finance

The Division of Bond Finance (division) was created within the State Board of Administration to provide capital financing for state agencies and associated entities by issuing and administering a variety of state bonds.⁸ State bonds are used to finance education, environmental, and transportation projects, state facilities, and insurance programs. The Division is administratively housed within the State Board of Administration, and is governed by the Governor, Attorney General, and Chief Financial Officer.

Debt Reduction Program

As of June 30, 2025, approximately \$875 million of funding provided has been deployed by the division to reduce state debt through the debt reduction program.⁹ The program has generated a total budgetary savings of \$1.1 billion, a reduction of debt outstanding by \$964.8 million, and saved the State \$395.4 million of avoided interest cost and purchase discount.¹⁰

During the 2025 session, the Legislature codified the Debt Reduction Program within the division to continue the reduction of state debt by accelerating the retirement of bonds prior to maturity.¹¹ The program is funded through an annual transfer of \$250 million to the State Board of Administration from the General Revenue Fund. The division is required to report on the strategies employed to retire outstanding state debt, the amount of state debt retire, the amount of any necessary or incidental payments made in association with a transaction that realizes debt service savings generated and a recommendation as to whether it is in the best interest of the state for the Legislature to continue the Debt Reduction Program.¹² At the end of the fiscal year, any unexpended funds revert to the General Revenue Fund.¹³

In addition to the \$250 million in recurring funds, the Legislature transferred an additional XX amount for a total of \$830 million for debt reduction in Fiscal Year 2026.¹⁴ The division is expected to deploy the full amount of funding by the end of the fiscal year and recommends that

⁶ Chapter 2022-156, specific appropriations 679A and 684A, Laws of Fla.

⁷ Chapter 2024-231, specific appropriation 715, 716, 718, and 719A, Laws of Fla.

⁸ [Section](#) 215.62, F.S.

⁹ Division of Bond Finance, *2025 Annual Debt Report* (December 2025) available at <https://bondfinance.sbafla.com/media/022phcpf/2025-state-of-florida-debt-report.pdf> (last visited Feb. 25, 2026).

¹⁰ *Id.* at pgs. 1 and 2.

¹¹ Chapter 2025-207, Laws of Fla.

¹² Chapter 2025-207, Laws of Fla.

¹³ *Id.*

¹⁴ Chapter 2025-198, section 271, Laws of Fla.

it is in the best interest of the State for the Legislature to continue the Debt Reduction Program for Fiscal Year 2027.¹⁵

III. Effect of Proposed Changes:

The bill notwithstanding ch. 2025-207, s. 2, Laws of Florida, to require, beginning in the 2026-2027 fiscal year through the 2066-2067 fiscal year, and in lieu of the transfer of the \$250 million to the Debt Reduction Program, the Legislature to appropriate \$250 million in recurring funds to the FDC to develop and implement a capital improvement plan for new and existing correctional facilities.

The bill specifies that, from any funds specifically appropriated for capital improvement projects, the FDC must prioritize the use of funds for:

- Debt service payments or other costs of bonds issued under the bill; and
- To address critical facility needs, including construction of new facilities or maintenance of existing facilities, as appropriated by the General Appropriations Act (GAA).

The bill directs the FDC to begin planning and design on July 1, 2026, for one new 4,800-bed correctional facility and one new 600-bed correctional hospital unit that must include mental health services. The FDC must first seek available state or locally-owned land for construction, including existing prison sites. If state or local land is unavailable, capital improvement funds may be used to purchase land. Additionally, the bill specifies that any site selected must be located where the labor market, potential labor pool, and other factors such as commute distance and cost of living are favorable to provide a sufficient workforce for staffing the facility.

The bill directs the FDC to include recommendations for the use of funds in its annual legislative budget request. The FDC must contract with a construction management entity for scheduling and coordination of design and construction for any project costing \$5 million or more. Upon completion of the construction of any new correctional institution, the FDC must submit a recommendation to the Legislature for the closure of existing facilities which are perpetually understaffed or present excessive maintenance costs.

The bill authorizes the Division to issue bonds to finance the construction of a new facility. Proceeds from such bonds may not be used for maintenance or repair of existing facilities. The FDC must request, and the Division must issue, bonds as directed in the GAA. Other than bonds issued for refinancing, bonds may not be issued under the bill's provisions without specific appropriation for the fiscal year's debt service.

The bill creates a financing oversight committee to ensure funds and bond proceeds are spent efficiently and responsibly. The committee is composed of representatives from the Senate, the House of Representatives, the Executive Office of the Governor's Office of Policy and Budget, the FDC, and the Division. The committee is responsible for recommending the most cost-effective method of financing the construction of any new correctional facilities.

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

¹⁵ Division of Bond Finance, *2025 Annual Debt Report* at 14.

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 may have an indeterminate positive impact on any private entities awarded contracts for correctional facilities planning, design, construction, or construction management services.

C. Government Sector Impact:

The bill redirects the annual transfer of \$250 million from the General Revenue Fund from the Division of Bond Finance for the Debt Reduction Program and requires the Legislature to appropriate \$250 million in recurring funds to the Florida Department of Corrections for various fixed capital outlay expenditures through Fiscal Year 2066-2067.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 944.751 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:**Barcode 282454 by Appropriations on March 2, 2026:**

This amendment deletes everything and does not insert additional language.

(WITH TITLE AMENDMENT)

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



282454

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Garcia) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5403

2026

1 A bill to be entitled
 2 An act relating to correctional facilities financing
 3 and capital improvements; creating s. 944.751, F.S.;
 4 providing legislative intent; providing an
 5 appropriation to the Department of Corrections;
 6 requiring appropriated funds to be used in a certain
 7 manner; requiring the department to begin the planning
 8 and design phase for the construction of certain
 9 facilities; requiring the department to make certain
 10 recommendations to the Legislature; requiring the
 11 department to contract with a construction management
 12 entity in certain circumstances; authorizing the
 13 Division of Bond Finance of the State Board of
 14 Administration to issue bonds for certain purposes;
 15 creating a financing oversight committee; providing
 16 membership and duties of the committee; providing an
 17 effective date.

18
 19 WHEREAS, the State of Florida is facing a looming crisis
 20 related to its correctional facility infrastructure, and
 21 WHEREAS, many correctional facilities are more than 40
 22 years old, lack air conditioning, and have become too costly to
 23 maintain or modernize, and
 24 WHEREAS, the age and design of the correctional facilities
 25 have become a safety concern for correctional officers and staff

Page 1 of 6

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

hb5403-00

HB 5403

2026

26 who work at such facilities, and
 27 WHEREAS, the State of Florida lacks state-of-the-art
 28 medical and mental health facilities to adequately care for
 29 inmates, causing the Department of Corrections to serve inmates
 30 in more costly private facilities, and
 31 WHEREAS, the Legislature appropriated \$850 million in the
 32 2022-2023 fiscal year for the planning, design, and construction
 33 of a new correctional institution and a new prison hospital unit
 34 which was subsequently vetoed by the Governor, and
 35 WHEREAS, the failure to construct new correctional
 36 facilities could create systemwide capacity concerns which may
 37 result in the premature release of dangerous criminals and put
 38 the people of Florida at risk, and
 39 WHEREAS, the Legislature has allocated \$1.7 billion for the
 40 Debt Reduction Program over the past 3 fiscal years and driven a
 41 50 percent reduction in Florida's tax-supported debt, and
 42 WHEREAS, it is incumbent upon the State of Florida to
 43 prioritize limited resources to maintain the safe operation and
 44 security of the state's correctional facilities to ensure public
 45 safety and the safety of correctional officers, staff, and
 46 inmates, and
 47 WHEREAS, the immediate needs of the correctional facilities
 48 demand the reprioritization of funding previously used to retire
 49 debt that was financed at historically low rates to instead be
 50 invested in Florida's correctional employees and system, NOW,

Page 2 of 6

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

hb5403-00

HB 5403

2026

51 THEREFORE,

52
53 Be It Enacted by the Legislature of the State of Florida:

54
55 **Section 1. Section 944.751, Florida Statutes, is created**
56 **to read:**

57 944.751 Correctional facilities capital improvement.—

58 (1) LEGISLATIVE INTENT.—The Legislature recognizes the
59 critical fixed capital outlay needs of the department.
60 Therefore, it is the intent of the Legislature to provide
61 funding through cash payments or proceeds of bonds distributed
62 under this section to address these needs.

63 (2) CAPITAL IMPROVEMENT FUNDING.—Notwithstanding s. 2,
64 chapter 2025-207, Laws of Florida, beginning in the 2026-2027
65 fiscal year and each fiscal year through 2066-2067, in lieu of
66 the transfer to the State Board of Administration for the Debt
67 Reduction Program, the Legislature shall appropriate \$250
68 million in recurring funds from the General Revenue Fund to the
69 department to develop and implement a capital improvement plan
70 for new and existing correctional facilities.

71 (3) USE OF FUNDS.—From the specific amount appropriated
72 for capital improvement projects each fiscal year, the
73 department must use the funds in the following order of
74 priority:

75 (a) First, for the payment of debt service or funding of

Page 3 of 6

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

hb5403-00

HB 5403

2026

76 debt service reserve funds, rebate obligations, or other amounts
77 payable with respect to bonds issued pursuant to this section.

78 (b) Second, to address the department's critical facility
79 needs, including, but not limited to, the construction of new
80 facilities or the maintenance and repair of existing facilities
81 of the department as appropriated in the General Appropriations
82 Act.

83 (4) NEW CORRECTIONAL INSTITUTION AND HOSPITAL UNIT.—
84 Beginning on July 1, 2026, the department shall begin the
85 planning and design phase for the construction of one new 4,800-
86 bed correctional institution and one new 600-bed hospital unit
87 that will include mental health services. The department shall
88 seek available state or local land for construction of the
89 facility, including existing prison sites. The site must be
90 located where the labor market, potential labor pool, and other
91 factors such as commute distance and cost of living are
92 favorable to provide a sufficient workforce for staffing the
93 facility. If state or locally owned land is not available, funds
94 may be used for purchase of land.

95 (5) CAPITAL IMPROVEMENTS.—

96 (a) The department shall include recommendations for the
97 use of funds in its annual legislative budget request.

98 (b) For any project costing more than \$5 million, the
99 department shall contract with a construction management entity
100 that will be responsible for scheduling and coordinating both

Page 4 of 6

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

hb5403-00

HB 5403

2026

101 the design and construction phases of the project.

102 (c) Upon the completion of construction of any new

103 correctional institutions, the department shall submit a

104 recommendation to the Legislature to provide options for the

105 closure of existing facilities that are perpetually understaffed

106 or continue to present excessive repair and renovation costs.

107 (6) BONDING AUTHORITY.—

108 (a) The Division of Bond Finance of the State Board of

109 Administration is authorized to issue bonds to finance the cost

110 of constructing a new correctional facility. Bonds shall not be

111 issued for maintenance or repair of existing facilities.

112 (b) Bonds issued pursuant to this subsection are payable

113 from the funds appropriated and transferred pursuant to this

114 section.

115 (c) The department shall request that the Division of Bond

116 Finance issue bonds authorized by this section in accordance

117 with the General Appropriations Act. The Division of Bond

118 Finance shall issue such bonds pursuant to the State Bond Act.

119 (d) Except for bonds issued to refund previously issued

120 bonds, a series of bonds may not be issued pursuant to this

121 section unless such bonds are approved and the debt service for

122 the remainder of the fiscal year in which the bonds are issued

123 is specifically appropriated in the General Appropriations Act.

124 (7) FINANCING OVERSIGHT COMMITTEE.—To ensure that the

125 funds, including any bond proceeds, are spent in an efficient

Page 5 of 6

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

hb5403-00

HB 5403

2026

126 and responsible manner, a financing oversight committee is

127 created.

128 (a) The committee must include a representative from the

129 Senate, the House of Representatives, the Office of Policy and

130 Budget in the Executive Office of the Governor, the department,

131 and the Division of Bond Finance.

132 (b) The committee shall recommend the most cost-beneficial

133 and effective financing methods to meet the needs of the

134 department for any new capital facility construction.

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

Page 6 of 6

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

hb5403-00



282454

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Garcia) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
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Meeting Date

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Phone

Address

Email

Street

City

State

Zip

Speaking:

☐ For

☒ Against

☐ Information

OR

Waive Speaking:

☐ In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



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

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

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S-001 (08/10/2021)

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HB 5403

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Laurette Philipsen

Phone

727-484-0237

Address

7240 Westwind Drive

Email

advocatephilipsen@gmail.com

Street

City

Port Richey, FL 34668

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,
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Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

AIA EVANS

Phone

352 453 - 6748

Address

3289 W. SUSAN Lane

Email

bethegoodperson@gmail.com

Street

LECANTO

FL

34461

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:

☐

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03-02-2026

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Appropriations

Committee

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Bill Number or Topic

Amendment Barcode (if applicable)

Name

Amy McCourt

Phone

954 253 4928

Address

2911 SE Morningside Blvd

Email

labormoves@gmail.com

Street

PSL

City

FL

State

34952

Zip

Speaking:

☐ For



Against

☐ Information

OR

Waive Speaking:

☐ In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
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I am a registered lobbyist,
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Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Barbara LoBello

Phone

702 218-4364

Address

410 Jonco Ct 312

Street

Email

balmommy@hotmail.com

City

Tallahassee FL

State

Zip

32304

Speaking:

☐ For



Against

☐ Information

OR

Waive Speaking:

☐ In Support

☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



I am not a lobbyist, but received
something of value for my appearance
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The Florida Senate

APPEARANCE RECORD

HB5403

3/02/26

Meeting Date

Bill Number or Topic

Senate Appropriations

Committee

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

Name Yvette Edg hill

Phone 407 921 6340

Address 2935 Candela Ct

Email yvetteedghill@yahoo.com

apopka FL 32703

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:

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

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

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Meeting Date

5403

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name Lisa Arrowood

Phone 850-843-0725

Address 3790 W US 98

Email lisaaarrowood@gmail.com

Street

Perry

City

FL

State

32347

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☐ In Support ☒ Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



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

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

03/02/2026

Meeting Date

HB5403

Bill Number or Topic

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Committee

Amendment Barcode (if applicable)

Name

Jarrett Salmon

Phone

(407) 371-2221

Address

2935 Candela Ct

Email

jarrett.salmon94@gmail.com

Street

Apopka

City

FL

State

32703

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:



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

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

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S-001 (08/10/2021)

The Florida Senate

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3/2/26

Meeting Date

#HB5403

Bill Number or Topic

Senate Appropriations

Committee

Amendment Barcode (if applicable)

Name Halle Lettman

Phone 407-765-9217

Address 6162 Brookhill Circle

Street

Email hallelettman4@gmail.com

Orlando

City

FL

State

32810

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:

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

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S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5501

INTRODUCER: Transportation & Economic Development Budget Subcommittee and Representative Shoaf

SUBJECT: Documentary Stamp Tax Distributions

DATE: February 27, 2026

REVISED: 3/3/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Griffin	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5501 amends s. 201.15, F.S., to modify the distribution of documentary stamp taxes by redirecting a portion of the collections that are currently deposited in General Revenue Fund and deposits those revenues in the State Transportation Trust Fund.

The revised distribution of \$60 million provided by the bill directs funding for the Florida Rail Enterprise, reinstating a revenue distribution that was eliminated during the 2025 Legislative Session.¹ See Section V., Fiscal Impact Statement.

The bill is effective July 1, 2026.

II. Present Situation:

Documentary Stamp Tax

The documentary stamp tax levies an excise tax on deeds or other documents that convey an interest in Florida real property. The tax comprises two taxes imposed on different bases at different tax rates. The first tax rate is 70 cents on each \$100 of consideration for deeds, instruments, or writings whereby lands, tenements, or other real property or interests that are granted, assigned, transferred, conveyed, or vested in a purchaser.² The second tax rate is 35 cents per each \$100 of consideration for certificates of indebtedness, promissory notes, wage

¹ Chapter 2025-208, s. 23, Laws of Fla.

² Section 201.02, F.S.

assignments, and retail charge account agreements.³ Revenue collected from the documentary stamp tax is divided between the General Revenue Fund and various trust funds⁴ according to the statutory formula in s. 201.15, F.S.

Section 201.15, F.S., prescribes the distribution of revenues from the documentary stamp tax, after payments on certain outstanding bonds and the constitutionally required distribution to the Land Acquisition Trust Fund. The remaining revenues from the excise tax on documents are distributed to various trust funds, including the State Housing and Local Government Housing Trust Funds and the State Transportation Trust Fund.

Documentary Stamp Tax Distributions – Transportation

Prior to the distribution revisions made pursuant to ch. 2025-208, Laws of Florida, the Florida Department of Transportation (FDOT) received distributions of the lesser of \$466.75 million or 20.5453 percent in each fiscal year.

Currently, the FDOT receives distributions of the lesser of \$360.08 million or 20.5453 percent in each fiscal year to the credit of the State Transportation Trust Fund. These funds are to be utilized as follows:

- Thirteen percent of the funds must be used for the Small County Outreach Program (SCOP) as specified in s. 339.2818, F.S. This program assists small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.
- Seventy eight percent of the funds must be used for the Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, F.S.
- Nine percent of the funds must be used for the Transportation Regional Incentive Program specified in s. 339.2819, F.S.

As part of the higher distribution rates in previous fiscal years, \$60 million of the documentary stamp tax collections was required to be allocated annually to the Florida Rail Enterprise for funding projects authorized in s. 341.303, F.S. This distribution was eliminated during the 2025 Legislative Session.

State Transportation Trust Fund (Department of Transportation)

Section 206.46, F.S., authorizes the creation of the State Transportation Trust Fund (STTF), which is used by the FDOT to account for the administration of the maintenance and development of the state highway system and other transportation related projects. The STTF's primary revenue sources from state taxes and fees include fuel taxes and motor vehicle license

³ Sections 207.07 and 201.08, F.S.

⁴ The Land Acquisition Trust Fund, the State Transportation Trust Fund, the State Economic Enhancement and Development Trust Fund, the General Inspection Trust Fund, the Water Protection and Sustainability Program Trust Fund, the Resilient Florida Trust Fund, the State Housing Trust Fund, the Local Government Housing Trust Fund, and the Grants and Donations Trust Fund in COM.

related fees.⁵ Current projections by the Revenue Estimating Conference of these state revenues deposited into the STTF total over \$5 billion for Fiscal Year 2026-2027.⁶

Small County Outreach Program

The Small County Outreach Program was created with the purpose of assisting small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.

Small counties are eligible to compete for funds that have been designated for the Small County Outreach Program (SCOP) for projects on county roads. Available funds are allocated to the districts based on the number of eligible counties. The Department of Transportation funds 75 percent of the cost of projects on county roads funded under the program. Funding to support the SCOP comes from documentary stamp tax distributions, local option fuel taxes,⁷ and certain motor vehicle registration transactions.⁸ Section 339.08, F.S., also authorizes the FDOT to use funds in the State Transportation Trust Fund on SCOP.

Strategic Intermodal System

The Strategic Intermodal System (SIS) is Florida's high priority network of transportation facilities that are important to the state's economy and mobility. The SIS was established in 2003 to focus the state's limited transportation resources on the facilities most significant for interregional, interstate, and international travel. The SIS is the state's highest priority for transportation capacity investments and a primary focus for implementing the Florida Transportation Plan, the state's long-range transportation vision and policy plan.⁹

State funding for the SIS comes from documentary stamp tax distributions, and certain motor vehicle registration transactions.¹⁰ The FDOT is also required to allocate at least 50 percent of any new discretionary highway capacity funds to the SIS.¹¹ Section 339.08, F.S., also authorizes the FDOT to use funds in the SSTF on the SIS.

Transportation Regional Incentive Program

The Transportation Regional Incentive Program was created as part of major growth management legislation enacted during the 2005 Legislative Session. The purpose of the program is to encourage regional planning by providing state matching funds for improvements

⁵ Florida Department of Transportation, *Florida's Transportation Tax Sources* (2026), available at <https://fdotewp1.dot.state.fl.us/FMSupportApps/Documents/prs/Primer.pdf> (last visited Feb. 25, 2025).

⁶ Office of Economic & Demographic Research, Revenue Estimating Conference, Revenues to State Transportation Trust Fund Forecast, (January 12, 2026), available at <https://edr.state.fl.us/Content/conferences/transportation/Transresults.pdf> (last visited Feb. 25, 2026).

⁷ Section 215.211, F.S.

⁸ Section 320.072, F.S.

⁹ Florida Department of Transportation, *Florida's Strategic Intermodal System (SIS)*, (2026), available at <https://www.fdot.gov/planning/systems/sis> (last visited Feb. 25, 2026).

¹⁰ Section 320.072, F.S.

¹¹ Section 339.135 (4)(a)2., F.S.

to regionally significant transportation facilities identified and prioritized by regional partners. The FDOT funds 50 percent of the project cost.

Projects to be funded with Transportation Regional Incentive Program funds must, at a minimum:

- Serve national, statewide, or regional functions and operate as part of an integrated regional transportation system.
- Be identified in the capital improvements element of a comprehensive plan that has been determined to be in compliance with part II of ch. 163, F.S., after July 1, 2005. Further, the project must be in compliance with local government comprehensive plan policies relative to corridor management.
- Be consistent with the Strategic Intermodal System Plan developed under s. 339.64, F.S.
- Have a commitment for local, regional, or private financial matching funds as a percentage of the overall project cost.¹²

The Florida Rail Enterprise

FDOT's rail office is responsible for assisting in the development of Florida's rail system, both passenger, freight, and Florida's multimodal freight programs. The office develops and implements the Florida Rail System Plan, rail safety, rail project development/management, rail research, and Strategic Intermodal System implementation. The rail office also develops and implements the Freight Mobility and Trade Plan, and provides leadership, policy guidance, and technical assistance to ensure efficient and effective freight movement throughout the state.

Section 341.303, F.S., outlines rail project eligibility as well as participation with capital assistance and operating costs. The statute authorizes the Florida Rail Enterprise to fund up to 100 percent of the net operating costs of any eligible intercity or commuter rail system for up to seven years. Any project that is consistent with the approved local government comprehensive plan of the unit of government of the areas served by the rail service, and that is contained in the adopted work program is eligible for the expenditure of state funds.

III. Effect of Proposed Changes:

This bill amends s. 201.15, F.S., to modify the distribution of documentary stamp taxes by redirecting a portion of the collections that are currently deposited in general revenue and deposits those revenues in the State Transportation Trust Fund. Current law allocates these funds among the Small County Outreach Program, the Strategic Intermodal System and the Transportation Regional Incentive Program.

The revised distribution of \$60 million provided by the bill directs funding for the Florida Rail Enterprise, reinstating a revenue distribution that was eliminated during the 2025 Legislative Session. The distributions in current law for Small County Outreach Program, the Strategic Intermodal System and the Transportation Regional Incentive Program remain unchanged.

¹² Section 339.2819, F.S.

The bill reinstates paragraph (b) of s. 348.58 (4), F.S., which provides that rail funding required by the FDOT in s. 348.58(4), F.S., may not be provided from funds dedicated to the Florida Rail Enterprise from the documentary stamp tax.

The bill has 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:

Private sector developers and the construction industry may have access to additional funding to aid in the development and construction of rail transportation facilities.

C. Government Sector Impact:

The bill reinstates a distribution of documentary stamp taxes deposited in the State Transportation Trust Fund, redirecting those proceeds from general revenue. This will have a positive impact of \$60 million on the State Transportation Trust Fund with a negative impact on the General Revenue Fund of the same amount. While the bill adjusts this distribution, there is a net zero impact on state revenues, and the bill does not have any further impact on standard documentary stamp tax distributions outside of the State Transportation Trust Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 201.15 and 343.58.

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:**Barcode 555842 by Appropriations on March 2, 2026:**

This amendment deletes everything and does not insert additional language.

(WITH TITLE AMENDMENT)



555842

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (DiCeglie) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5501

2026

1 A bill to be entitled
 2 An act relating to documentary stamp tax
 3 distributions; amending s. 201.15, F.S.; revising
 4 distribution of documentary stamp tax proceeds;
 5 amending s. 343.58, F.S.; prohibiting the transfer of
 6 specified funds to the South Florida Regional
 7 Transportation Authority; providing an effective date.

8
 9 Be It Enacted by the Legislature of the State of Florida:

10
 11 **Section 1. Paragraph (a) of subsection (4) of section**
 12 **201.15, Florida Statutes, is amended to read:**

13 201.15 Distribution of taxes collected.—All taxes
 14 collected under this chapter are hereby pledged and shall be
 15 first made available to make payments when due on bonds issued
 16 pursuant to s. 215.618 or s. 215.619, or any other bonds
 17 authorized to be issued on a parity basis with such bonds. Such
 18 pledge and availability for the payment of these bonds shall
 19 have priority over any requirement for the payment of service
 20 charges or costs of collection and enforcement under this
 21 section. All taxes collected under this chapter, except taxes
 22 distributed to the Land Acquisition Trust Fund pursuant to
 23 subsections (1) and (2), are subject to the service charge
 24 imposed in s. 215.20(1). Before distribution pursuant to this
 25 section, the Department of Revenue shall deduct amounts

Page 1 of 5

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

hb5501-00

HB 5501

2026

26 necessary to pay the costs of the collection and enforcement of
 27 the tax levied by this chapter. The costs and service charge may
 28 not be levied against any portion of taxes pledged to debt
 29 service on bonds to the extent that the costs and service charge
 30 are required to pay any amounts relating to the bonds. All of
 31 the costs of the collection and enforcement of the tax levied by
 32 this chapter and service charge shall be available and
 33 transferred to the extent necessary to pay debt service and any
 34 other amounts payable with respect to bonds authorized before
 35 January 1, 2017, secured by revenues distributed pursuant to
 36 this section. All taxes remaining after deduction of costs shall
 37 be distributed as follows:

38 (4) After the required distributions to the Land
 39 Acquisition Trust Fund pursuant to subsections (1) and (2) and
 40 deduction of the service charge imposed pursuant to s.
 41 215.20(1), the remainder shall be distributed as follows:

42 (a) The lesser of 20.5453 percent of the remainder or
 43 \$420.08 ~~\$360.08~~ million in each fiscal year shall be paid into
 44 the State Treasury to the credit of the State Transportation
 45 Trust Fund. Notwithstanding any other law, the amount credited
 46 to the State Transportation Trust Fund shall be used for:

- 47 1. The Small County Outreach Program specified in s.
 48 339.2818, in the amount of 11 ~~13~~ percent of the funds;
- 49 2. The Strategic Intermodal System specified in ss.
 50 339.61, 339.62, 339.63, and 339.64, in the amount of 67 ~~78~~

Page 2 of 5

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

hb5501-00

HB 5501

2026

51 percent of the funds; ~~and~~

52 3. The Transportation Regional Incentive Program specified
53 in s. 339.2819, in the amount of 8 9 percent of the funds; and

54 4. The Florida Rail Enterprise for the purpose established
55 in s. 341.303, in the amount of 14 percent of the funds.

56 **Section 2. Subsection (4) of section 343.58, Florida**
57 **Statutes, is amended to read:**

58 343.58 County funding for the South Florida Regional
59 Transportation Authority.—

60 (4) Notwithstanding any other provision of law to the
61 contrary and effective July 1, 2010, until as provided in
62 paragraph (d) ~~(e)~~, the department shall transfer annually from
63 the State Transportation Trust Fund to the South Florida
64 Regional Transportation Authority the amounts specified in
65 subparagraph (a)1. or subparagraph (a)2.

66 (a)1. If the authority becomes responsible for maintaining
67 and dispatching the South Florida Rail Corridor:

68 a. \$15 million from the State Transportation Trust Fund to
69 the South Florida Regional Transportation Authority for
70 operations, maintenance, and dispatch; and

71 b. An amount no less than the work program commitments
72 equal to \$27.1 million for fiscal year 2010-2011, as of July 1,
73 2009, for operating assistance to the authority and corridor
74 track maintenance and contract maintenance for the South Florida
75 Rail Corridor.

Page 3 of 5

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

hb5501-00

HB 5501

2026

76 2. If the authority does not become responsible for
77 maintaining and dispatching the South Florida Rail Corridor:

78 a. \$13.3 million from the State Transportation Trust Fund
79 to the South Florida Regional Transportation Authority for
80 operations; and

81 b. An amount no less than the work program commitments
82 equal to \$17.3 million for fiscal year 2010-2011, as of July 1,
83 2009, for operating assistance to the authority.

84 (b) Funding required by this subsection may not be
85 provided from the funds dedicated to the Florida Rail Enterprise
86 pursuant to s. 201.15(4)(a)4.

87 (c) ~~(b)~~1. Funds provided to the authority by the department
88 under this subsection constitute state financial assistance
89 provided to a nonstate entity to carry out a state project
90 subject to ss. 215.97 and 215.971. The department shall provide
91 the funds in accordance with the terms of a written agreement to
92 be entered into between the authority and the department, which
93 shall provide for department review, approval, and audit of
94 authority expenditure of such funds and shall include such other
95 provisions as are required by applicable law. The department is
96 specifically authorized to agree to advance the authority 25
97 percent of the total funds provided under this subsection for a
98 state fiscal year at the beginning of each state fiscal year,
99 with monthly payments over the fiscal year on a reimbursement
100 basis as supported by invoices and such additional documentation

Page 4 of 5

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

hb5501-00

HB 5501

2026

101 and information as the department may reasonably require and a
102 reconciliation of the advance against remaining invoices in the
103 last quarter of the fiscal year.

104 2. To enable the department to evaluate the authority's
105 proposed uses of state funds, the authority shall annually
106 provide the department with its proposed budget for the
107 following authority fiscal year and shall promptly provide the
108 department with any additional documentation or information
109 required by the department for its evaluation of the proposed
110 uses of the state funds.

111 ~~(d)(e)~~ Funding required by this subsection shall cease
112 upon commencement of an alternate dedicated local funding source
113 sufficient for the authority to meet its responsibilities for
114 operating, maintaining, and dispatching the South Florida Rail
115 Corridor. The authority and the department shall cooperate in
116 the effort to identify and implement such an alternate dedicated
117 local funding source before July 1, 2019. Upon commencement of
118 the alternate dedicated local funding source, the department
119 shall convey to the authority a perpetual commuter rail easement
120 in the South Florida Rail Corridor and all of the department's
121 right, title, and interest in rolling stock, equipment, tracks,
122 and other personal property owned and used by the department for
123 the operation and maintenance of the commuter rail operations in
124 the South Florida Rail Corridor.

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



555842

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
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	.	

The Committee on Appropriations (DiCeglie) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5503, 1st Eng.

INTRODUCER: Transportation & Economic Development Budget Subcommittee and Representative Griffiths, Jr.

SUBJECT: Trust Funds/Re-creation/Emergency Preparedness and Response Fund/EOG

DATE: February 27, 2026 REVISED: 3/3/26 _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. <u>Urban</u>	<u>Sadberry</u>	<u>AP</u>	<u>Fav/1 amendment</u>

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5503 recreates the Emergency Preparedness and Response Fund (EPRF) within the Executive Office of the Governor. The bill extends the termination of the EPRF to July 1, 2030. The bill provides that the act operates retroactively to February 17, 2026.

The bill has no impact on state expenditures or revenues. See Section V., Fiscal Impact Statement.

The bill takes effect upon becoming a law

II. Present Situation:

Funding available for a declared state of emergency

The Governor is responsible for meeting the dangers presented to this state and its people by emergencies.¹ In the event of an emergency or threat of one, the Governor may declare a state of emergency by executive order or proclamation.² The state of emergency continues until the Governor finds that the threat or danger has been dealt with or to the extent that the emergency conditions no longer exist; however, no state of emergency may continue for longer than 60 days

¹ Section 252.36(1)(a), F.S.

² *Id.*

unless renewed by the Governor.³ The Legislature, at any time by concurrent resolution may terminate a state of emergency.⁴

The policy of the state is that funds to meet emergencies must always be available.⁵ Prior to the creation of the EPRF the Governor was authorized to expend funds appropriated for other purposes, unappropriated surplus funds, or funds from the Budget Stabilization Fund.⁶ The Legislature created the EPRF during the 2022 Regular Session⁷ to serve as the depository for moneys specifically transferred or appropriated to the fund as the primary source of funding for the Governor to prepare or respond to a disaster declared by the Governor as a state of emergency.⁸

The Governor is authorized to expend funds specifically appropriated to state and local agencies for disaster relief and response.⁹ Then, if demand upon these funds is unreasonably great, the Governor is authorized to expend funds available in the EPRF.¹⁰ If the Governor determines additional funds are needed he may request the Legislative Budget Commission (LBC) to transfer additional money into the EPRF.¹¹ The LBC is authorized to convene to transfer or appropriate unappropriated surplus funds to the EPRF.¹² Since the creation of the EPRF, the Legislature has transferred a total of \$4.77 billion to the fund.

Legislative Transfers	
<u>Timing</u>	<u>Amount</u>
2022 Regular Session ¹³	\$500 million
October 2022 ¹⁴	\$360 million
2023-B Special Session ¹⁵	\$650 million
2023 Regular Session ¹⁶	\$910 million
2023 Regular Session ¹⁷	\$500 million
2024 Regular Session ¹⁸	\$500 million
June 2025 ¹⁹	\$850 million

³ Section 252.36(2), F.S.; for a listing of Agency Emergency Orders, see Division of Administration Hearings, *Florida Agency Emergency Orders Search*, <https://www.doah.state.fl.us/FLAEO/> (last visited Feb. 25, 2026).

⁴ Section 252.36(3), F.S.

⁵ Section 252.37(1), F.S.

⁶ Section 252.37(2), F.S. (2021).

⁷ Chapter 2022-2, Laws of Fla.

⁸ Section 252.3711, F.S.

⁹ Section 252.37(2), F.S.,

¹⁰ *Id.*

¹¹ *Id.*

¹² Section 11.90(8), F.S.

¹³ Chapter 2022-1, s. 3, Laws of Fla.

¹⁴ Legislative Budget Commission, Meeting Packet (Oct., 12, 2022), *EOG Number: B2023-0197*, available at <https://www.leg.state.fl.us/Data/Committees/Joint/JLBC/Meetings/Packets/101222.pdf> (last visited Feb. 3, 2026).

¹⁵ Chapter 2023-1, s. 4, Laws of Fla.

¹⁶ Chapter 2023-239, s. 228, Laws of Fla.

¹⁷ Section 2023-239, s. 245, Laws of Fla.

¹⁸ Chapter 2024-231, s. 289, Laws of Fla.

¹⁹ Legislative Budget Commission, Meeting Packet (June, 4, 2025), *EOG Number: B2025-0681*, available at <https://www.leg.state.fl.us/Data/Committees/Joint/JLBC/Meetings/Packets/060425.pdf> (last visited Feb. 3, 2026).

December 2025 ²⁰	\$500 million
<u>Total:</u>	\$4.77 billion

Trust Funds

Article III, s. 19(f) of the Florida Constitution requires the termination of a trust fund within four years of the effective date of the act authorizing the initial creation of the trust fund, unless the trust fund is exempted from termination by the Florida Constitution.²¹ The EPFR took effect upon becoming a law, which was on February 17, 2022. Therefore, in accordance with s. 19(f)(2), Art. III of the Florida Constitution, the EPRF terminated February 17, 2026.

III. Effect of Proposed Changes:

The bill recreates the Emergency Preparedness and Response Fund (EPRF) within the Executive Office of the Governor. The bill clarifies that the EPRF is established for use as a depository for *state* moneys specifically transferred or appropriated to the fund *by the Legislature*.

The bill authorizes money in the fund to be used for a state of emergency that is a natural emergency as defined in s. 252.34(8), F.S., which defines “natural emergency” to mean “an emergency caused by a natural event, including, but not limited to, a hurricane, a storm, a flood, severe wave action, a drought, or an earthquake.”²² Upon renewal, which is required after 60 days, of a state of emergency that is a natural emergency the use of moneys in the fund is subject to the notice, review, and objection procedures set forth in s. 216.177, F.S.

Additionally, the bill authorizes moneys in the fund to be used, subject to s. 216.177, F.S., for a state of emergency that is a manmade emergency or a technological emergency as defined in s. 252.34, F.S. The term “manmade emergency” is defined to mean “an emergency caused by an action against persons or society, including, but not limited to, enemy attack, sabotage, terrorism, civil unrest, or other action impairing the orderly administration of government.”²³ The term “technological emergency” is defined to mean “an emergency caused by a technological failure or accident, including, but not limited to, an explosion, transportation accident, radiological accident, or chemical or other hazardous material incident.”²⁴

The bill provides that notwithstanding s. 216.177(2)(b),²⁵ either the chair *or* the vice chair of the Legislative Budget Commission *or* the President of the Senate *or* the Speaker of the House of Representatives may timely advise, in writing, that an action or proposed action exceeds the delegated authority or is contrary to legislative policy and intent.

²⁰ Chapter 2025-198, s. 273, Laws of Florida.

²¹ FLA. CONST. art. III, s. 19(f).

²² Section 252.34(8), F.S.

²³ Section 252.34(7), F.S.

²⁴ Section 252.34(12), F.S.

²⁵ Section 216.177(2)(b), F.S., authorizes actions of the Governor or the judicial branch to be voided upon a determination by the chair *and* vice chair of the Legislative Budget Commission or the President of the Senate *and* the Speaker of the House of Representatives.

The bill prohibits moneys in the fund from being used to purchase aircraft, boats, or motor vehicles. The bill requires any interest earnings be appropriated to the General Revenue Fund as provided in s. 17.57, F.S. Additionally, the bill prohibits federal reimbursements of state emergency expenditures from being deposited into the fund and requiring such funds to be deposited in the General Revenue Fund.

The bill requires the Executive Office of the Governor to submit a report to the President of the Senate and the Speaker of the House of Representatives which includes all of the following:

- The projected year-end cash balance of the fund.
- An updated cash flow statement for that fiscal year.
- An accounting of all inventory and assets purchased, separated by emergency event and agency, for preparing for, responding to, or recovering from a state of emergency and the current status of such assets.
- A written attestation, under penalty of perjury, from the director of the Division of Emergency Management that the information in the report is true, accurate, and complete.

The bill extends the scheduled termination date of the fund to July 1, 2030.

The bill provides that this act shall operate retroactively to February 17, 2026.

The bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Article III, s. 19(f)(1) of the Florida Constitution requires bills that create or re-create trust funds to pass by three-fifths vote of the membership of each house of the legislature in a separate bill for that purpose only.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

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

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 252.3711 of the Florida Statutes.

This bill creates an undesignated section of law.

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:**Barcode 347342 by Appropriations on March 2, 2026:**

This amendment deletes everything and does not insert additional language.

(WITH TITLE AMENDMENT)



347342

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
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	.	

The Committee on Appropriations (Hooper) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5503, Engrossed 1

2026

1 A bill to be entitled
 2 An act relating to trust funds; re-creating the
 3 Emergency Preparedness and Response Fund within the
 4 Executive Office of the Governor; amending s.
 5 252.3711, F.S.; revising and providing uses of moneys
 6 deposited in the fund; providing requirements for the
 7 deposit of federal reimbursements of state emergency
 8 expenditures; providing reporting requirements;
 9 revising provisions relating to the termination of the
 10 fund; providing for retroactive application; providing
 11 an effective date.

12

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

14

15 Section 1. The Emergency Preparedness and Response Fund
 16 within the Executive Office of the Governor, which is to be
 17 terminated pursuant to Section 19(f), Article III of the State
 18 Constitution on February 17, 2026, is re-created.

19 Section 2. Section 252.3711, Florida Statutes, is amended
 20 to read:

21 252.3711 Emergency Preparedness and Response Fund.—

22 (1) The Emergency Preparedness and Response Fund is
 23 created within the Executive Office of the Governor.

24 (2) The fund is established for use as a depository for
 25 state moneys specifically transferred or appropriated to the

Page 1 of 4

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

hb5503 -01-e1

HB 5503, Engrossed 1

2026

26 fund by the Legislature. The moneys deposited in the fund are
 27 available as a primary funding source for the Governor for
 28 purposes of preparing or responding to an emergency as defined
 29 in s. 252.34(4) ~~disaster~~ declared by the Governor as a state of
 30 emergency that exceeds regularly appropriated funding sources.

31 (a) Moneys in the fund may be used for a state of
 32 emergency that is a natural emergency as defined in s.
 33 252.34(8). If such state of emergency has been renewed pursuant
 34 to s. 252.36, the use of moneys in the fund is subject to the
 35 notice, review, and objection procedures set forth in s.
 36 216.177.

37 (b) Moneys in the fund may be used for a state of emergency
 38 that is a manmade emergency as defined in s. 252.34(7) or a
 39 technological emergency as defined in s. 252.34(12), subject to
 40 the notice, review, and objection procedures set forth in s.
 41 216.177. Notwithstanding s. 216.177(2)(b), either the chair or
 42 vice chair of the Legislative Budget Commission or the President
 43 of the Senate or the Speaker of the House of Representatives may
 44 timely advise, in writing, that an action or proposed action
 45 exceeds the delegated authority or is contrary to legislative
 46 policy and intent.

47 (c) Moneys in the fund may not be used to purchase
 48 aircraft, boats, or motor vehicles.

49 (d) Moneys in the fund may not be invested as provided in
 50 s. 17.61 but shall be retained in the fund for investment with

Page 2 of 4

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

hb5503 -01-e1

HB 5503, Engrossed 1

2026

51 interest appropriated to the General Revenue Fund as provided in
 52 s. 17.57.

53 (3) Federal reimbursements of state emergency expenditures
 54 shall not be deposited in the fund. Federal reimbursements of
 55 state emergency expenditures shall be deposited in the General
 56 Revenue Fund pursuant to s. 215.32(2)(a).

57 (4) On or before the 15th day of the month following each
 58 quarter, the Executive Office of the Governor shall submit a
 59 report to the President of the Senate and the Speaker of the
 60 House of Representatives that includes the following:

61 (a) The projected year-end cash balance of the fund;
 62 (b) An updated cash flow statement for that fiscal year;
 63 (c) An accounting of all inventory and assets purchased,
 64 separated by emergency event and agency, for preparing for,
 65 responding to, or recovering from a state of emergency and the
 66 current status of such assets; and

67 (d) A written attestation, under penalty of perjury, from
 68 the director of the Division of Emergency Management that the
 69 information in the report is true, accurate, and complete.

70 (5)(3) In accordance with s. 19(f)(2), Art. III of the
 71 State Constitution, The Emergency Preparedness and Response Fund
 72 shall, unless terminated sooner, be terminated on July 1, 2030 4
 73 years after the effective date of this act. Before its scheduled
 74 termination, the fund shall be reviewed as provided in s.
 75 215.3208 s. 215.3206(1) and (2).

Page 3 of 4

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

hb5503 -01-e1

HB 5503, Engrossed 1

2026

76 Section 3. This act shall operate retroactively to
 77 February 17, 2026.

78 Section 4. This act shall take effect upon becoming a law.

Page 4 of 4

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

hb5503 -01-e1



347342

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
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The Committee on Appropriations (Hooper) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

The Florida Senate

APPEARANCE RECORD

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

HB 5503

Bill Number or Topic

Amendment Barcode (if applicable)

3/2/26

Meeting Date

Appropriations

Committee

Name

Karen Woodall

Phone

850-321-9386

Address

579 E. Cull St.

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fefep@yahoo.com

Street

Tallahassee, FL

City

State

32301

Zip

Speaking:

☐

For

☒

Against

☐

Information

OR

Waive Speaking:

☐

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

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I am appearing without
compensation or sponsorship.

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representing:

FI Center for Fiscal &
Economic Policy

☐

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

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

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

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5601

INTRODUCER: Higher Education Budget Subcommittee and Representative Busatta

SUBJECT: Higher Education

DATE: February 27, 2026

REVISED: 3/2/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Gray	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5601 conforms statutes to the House General Appropriations Act (GAA) for Fiscal Year 2026-2027. Specifically, the bill:

- Removes the requirement that the required contribution to the reserve escrow account for the a state university's Public Education Capital Outlay (PECO) prioritized funding list be specific to a facility.
- Provides for the transfer of facilities from the University of South Florida Sarasota-Manatee campus to the New College of Florida.
- Allows a university's Board of Trustees to establish out-of-state fees for nonresident students.
- Requires all student financial aid be applied before a university grants tuition waivers for a Program of Strategic Emphasis or a teacher preparation course.
- Requires a university to commit 12 percent of its carry-forward funds towards a PECO project.
- Removes the requirement that the Institute for Freedom in the Americas at Miami Dade College partner with the Adam Smith Center for Economic Freedom.
- Allows state funds to be used to address Title IX mandates in intercollegiate athletics.
- Includes university research facilities as educational facilities.

This bill does not appear to have a direct impact to state revenues or expenditures. **See Section V., Fiscal Impact Statement.**

The bill is effective upon becoming a law.

II. Present Situation:

State University System Fixed Capital Outlay

Public Education Capital Outlay

The state funds construction of new public education facilities and renovation, remodeling, maintenance and repair of existing educational facilities from the Public Education Capital Outlay (PECO) and Debt Service Trust fund.¹ Funds from this trust fund are available to Florida's 67 public school districts, Florida College System (FCS) institutions, State University System (SUS) institutions, and the Florida School for the Deaf and Blind.² Revenue sources for the trust fund are:

- Proceeds, premiums, and accrued interest for the sale of public education bonds;
- Goss receipts tax on utilities required by Article XII, Section 9(a)(2) of the Florida Constitution;
- General revenue funds appropriated in the trust fund by the legislature; and
- Carried forward capital outlay funds.³

State university boards of trustees request PECO funds for fixed capital outlay projects based on annually updated 3-year priority list compiled by the BOG and included in the legislative budget request. The 3-year priority list is created from a preliminary group which includes previously state funded PECO projects which have not been completed and the two top priorities of each state university.⁴

Deferred Maintenance

The Board of Governors (BOG) defines maintenance for SUS facilities as maintenance and repair activities not performed at the necessary time due to lack of resources such as funding, labor or time. As a result, these projects are deferred to a later date. This includes preventative maintenance or repairs needed to preserve or maintain the facility. Delay of those maintenance or repairs may lead to facility deterioration and asset impairment. Deferred maintenance does not include deferred capital replacement, which the BOG defines as postponing the replacement of infrastructure and/or building systems such as roofing, HVAC, boilers, and sprinkler systems.⁵

University System Carry Forward Funds and Spending Plans

The budgeting process for state universities allows unexpended state funds in a state university current year operating budget to be carried forward in the approved budget for the following year, provided the university maintains a seven percent minimum reserve.⁶ If a university retains a state operating fund carry forward balance above the seven percent minimum, the university

¹ Chapter 2025-198, specific appropriation 147, Laws of Fla.

² Florida Department of Education, *Fixed Capital Outlay*, available at <https://www.fldoe.org/finance/fco/> (last visited Feb. 25, 2026).

³ Section 1013.65(2)(a), F.S.

⁴ Section 1001.706(12), F.S.

⁵ Florida Board of Governors, *The Issue of "Deferred Maintenance" within the State University System*, available at <https://www.flbog.edu/wp-content/uploads/2022/01/Plan-for-addressing-SUS-deferred-maintenance-1.pdf> (last visited Feb. 25, 2026).

⁶ Section 1011.45(1), F.S.

must submit a carry forward spending plan for the excess to the BOG for approval. Expenditures in a carry forward plan may include:

- Capital outlay projects that previously received an appropriation but require additional funding to be completed;
- Renovation, repair, maintenance, or replacement of minor facilities consistent with statutory requirements;
- Remodeling or infrastructure projects, including those for developmental research schools, when survey-recommended;
- Repairs or replacements due to natural disasters affecting inventoried buildings;
- Operating expenses that support the university's mission;
- Purposes specified by the BOG or the General Appropriations Act; or,
- Contingency reserves to cover expenses resulting from a Governor-declared state of emergency.

A university spending plan must include the estimated cost per planned expenditure and a timeline for completion of the expenditure.⁷

Board of Governors

Within the statutory framework that establishes the state policies for planning, constructing, funding and maintaining educational facilities,⁸ the BOG serves as the entity responsible for the coordination of State University System facilities planning, BOG operates within statutory guidance when developing the 3-year prioritized list of funding requests. Should the BOG consider a new construction, remodeling, or renovation project that has not received prior funding, the university must have a plan to provide reserve funds in an escrow account, that is specific to the project, into which one percent of the total building value is deposited annually for the future maintenance needs.⁹

Transfer of University of South Florida Sarasota-Manatee Campus Facilities to the New College of Florida

Institutional Background

The University of South Florida (USF) Sarasota-Manatee campus is part of the SUS and operates as a regional campus of USF.¹⁰ The campus includes state-owned real property, academic and residential facilities, and related fixed capital assets, some of which were financed through outstanding debt obligations.

New College of Florida (NCF) is a public liberal arts institution within the SUS, located in Sarasota County. As Florida's designated public liberal arts college, New College operates under a distinct institutional mission relative to other state universities.¹¹

⁷ Section 1011.45(3), F.S.

⁸ Chapter 1013, F.S.

⁹ Section 1001.706(12)(c), F.S.

¹⁰ Section 1004.341, F.S.

¹¹ Section 1004.32, F.S.

University Campus Transfers and Board of Governors Oversight

The Legislature has previously addressed the transition of a regional campus into a separate university, most notably the creation of Florida Polytechnic University from USF in 2012. That process involved statutory criteria, BOG oversight, asset and liability transfers, and student teach-out provisions to ensure continuity of educational services while reallocating campus ownership and governance responsibilities.¹²

Postsecondary Tuition and Fees

Residency Status for Tuition Purposes

Students must be classified as residents or nonresidents for the purpose of assessing tuition in postsecondary educational programs offered by public postsecondary institutions. Students pay differing tuition rates and fees based on their status as a resident or nonresident of Florida.

To qualify as a resident for tuition purposes, a person, or if that person is a dependent child, his or her parent or parents, must have established legal residence in Florida and must have maintained legal residence for at least 12 consecutive months immediately prior to his or her initial enrollment in the public postsecondary institution.

Each public postsecondary institution must make a residency determination based on the submission of at least two forms of documentation specified by law. Documentation includes, but is not limited to:

- Florida voter registration card.
- Florida driver's license.
- Florida vehicle registration.
- Homestead exemption.
- Proof of full-time employment.
- Declaration of domicile.
- Florida Incorporation.
- Lease agreements or utility bills (must have proof of 12 months of consecutive payments).¹³

Tuition and Out-of-State Fees

Florida law defines tuition as the basic fee charged to a student for instruction provided by a public postsecondary educational institution in the state. A student who is classified as a resident for tuition purposes qualifies for the in-state tuition rate. An out-of-state fee is the additional fee for instruction charged to a student who does not qualify for the in-state tuition rate,¹⁴ unless these costs are exempted or waived.¹⁵

¹² Chapter 2012-129, Laws of Fla.

¹³ Section 1009.21, F.S.

¹⁴ Section 1009.01, F.S.

¹⁵ Section 1009.24(2), F.S.

The resident undergraduate tuition rate for the State University System (SUS) is set at \$105.07 per credit hour.¹⁶ The SUS average tuition and out-of-state fee is \$570.01 per credit hour.¹⁷ The Board of Governors (BOG) may establish tuition for graduate and professional programs and out-of-state fees for all programs and state universities. Except as otherwise provided, the sum of tuition and out-of-state fees assessed to nonresident students must offset the full instructional cost of serving those students. However, adjustments to out-of-state fees or tuition for graduate programs and professional programs may not exceed 15 percent in any year. A university may also implement a differential out-of-state fee as long as it is in accordance with the regulations developed by the BOG.¹⁸

Out-of-State Enrollment

Public colleges and universities were designed to serve the educational needs of those who live in the state. To uphold that mission, some schools and states set enrollment caps or limit the number of out-of-state students that can be admitted each year.¹⁹ Florida's systemwide enrollment cap on nonresident student enrollment is set by the BOG and is not to exceed 10 percent of the total systemwide enrollment excluding certain students who receive nonresident tuition and fee waivers. These waivers are to encourage nonresident enrollment and for students enrolled entirely in distant learning courses.²⁰

Relative to other public institutions nationwide, Florida's affordable tuition and fee rates are an incentive for nonresident students to enroll in a state institution. During the period from 2012 to 2024, fall term nonresident enrollment of undergraduates increased by 21,104 students (168 percent increase), representing 12.1 percent of total undergraduate enrollment in 2024 (up from 4.9 percent in 2012). Similarly, fall term nonresident graduate enrollment during the same time period increased by 8,845 students (54.2 percent), representing 33.0 percent of the total graduate enrollment (up from 26.3 percent in 2012).²¹

Programs of Strategic Emphasis or State-Approved Teacher Preparation Program Waiver

Residency Status for Tuition Purposes

Florida law provides waivers from specified fees to certain students attending public postsecondary institutions who meet identified criteria. Some tuition and fee exemptions and waivers are established pursuant to Florida Statute and are considered mandatory, while others

¹⁶ Section 1009.24(4), F.S.

¹⁷ Florida Board of Governors, State University System of Florida, *Tuition and Required Fees, 2025-2026*, at 4, available at <https://www.flbog.edu/wp-content/uploads/2025/07/2025-2026-SUS-Tuition-and-Fees-Report.pdf> (last visited Feb. 25, 2026).

¹⁸ Section 1009.24(4), F.S.

¹⁹ US News, *College Enrollment Caps: What to know*, (2022), available at <https://www.usnews.com/education/articles/college-enrollment-caps-what-to-know?edu-2294-control=true> (last visited Feb. 26, 2026).

²⁰ Florida Board of Governors Regulation 7.006

²¹ Florida Board of Governors, *Tuition and Out-of-State Fee Overview, June 2025*, at 6, available at <https://www.flbog.edu/wp-content/uploads/2025/06/Tuition-and-Out-of-state-Fee-Overview-2.pdf> (last visited Feb. 25, 2026).

are permissive, such as fee waivers for senior citizens, or state university board of trustees approved waivers.²²

For Program of Strategic Emphasis (PSE), or state-approved teacher preparation program identified by the BOG, in which a student is enrolled, a state university shall waive 100 percent of the tuition and fees for an equivalent course in the program. To be eligible, a student must:

- Be a resident for tuition purposes;²³
- Earn at least 60 semester credit hours towards a baccalaureate degree within two academic years after initial enrollment at a Florida public postsecondary institution; and
- Be enrolled in one of 10 STEM PSE.²⁴ The programs identified by the Board of Governors must reflect the priorities of Florida and be offered at most state universities.²⁵

The PSE waiver is applicable only for upper-level courses and up to 110 percent of the number of required credit hours of the baccalaureate degree program for which the student is enrolled.²⁶

Bright Futures Florida Academic Scholars or Florida Medallion Scholars participating in the Program of Strategic Emphasis Waiver or a state-approved teacher preparation program must receive a disbursement equal to the award amount received for the courses paid by the Bright Futures Scholarship program.²⁷

A state university providing waivers to students enrolled in programs of strategic emphasis may receive funding to offset the forgone tuition revenue if the Legislature appropriates funding in the General Appropriations Act.²⁸ For 2025-2026 fiscal year, the Legislature appropriated \$18,405,299 for this purpose.²⁹

The Institute for Freedom in the Americas at Miami Dade College

The Institute for Freedom in the Americas at Miami Dade College (Institute) was created by the Legislature in 2024 to preserve the ideals of a free society and promote democracy in the Americas. The Institute is required to partner with the Adam Smith Center for Economic Freedom at Florida International University to offer workshops, symposiums, and conferences that connect regional leaders and help them learn new insights and ideas for promoting the intellectual, political, and economic freedoms that build a democracy.³⁰ The Institute is also required to enter into an agreement with the Adam Smith Center to provide participants with academic coursework and programs that advance democratic practices.

²² Section 1009.26, F.S.

²³ Section 1009.21(1)(g), F.S., provides that a student who is classified as a “resident for tuition purposes” is a student who qualifies for the in-state tuition rate.

²⁴ Section 1009.26, F.S.

²⁵ Section 1009.26(18)(a), F.S.

²⁶ Section 1009.26(18)(b), F.S.

²⁷ Section 1009.26(18)(c), F.S.

²⁸ Section 1009.26(18)(d), F.S.

²⁹ Chapter 2025-198, specific appropriation 147, Laws of Fla.

³⁰ Section 1004.89(1)(a), F.S.

A direct-support organization (DSO) for a Florida College System (FCS) institution is a Florida nonprofit corporation organized to receive, hold, invest, and administer property and to make expenditures to, or for the benefit of, a specific FCS institution. A FCS institution Board of Trustees must certify the DSO is operating in alignment with the institution's goals and the state's interests. A DSO must report certain federal tax information and conduct an annual financial audit in accordance with rules adopted by the Auditor General.³¹ Currently, statute directs Miami Dade College to approve a DSO for the Institute for Freedom in the Americas.³²

Title IX of the Education Amendments of 1972

Title IX of the Education Amendments of 1972 prohibits sex-based discrimination in any education program or activity receiving federal financial assistance, including intercollegiate athletics. Title IX requires colleges and universities to provide equitable opportunities for participation, scholarships, and treatment of male and female student-athletes, ensuring that athletic programs are structured and funded in a manner that offers comparable access, benefits, and support.³³

Public postsecondary institutions are required to comply with the requirements of Title IX and other applicable federal laws governing athletics programs and authorizes the use of available funds to support necessary compliance activities.³⁴

III. Effect of Proposed Changes:

Board of Governors and Public Education Capital Outlay Projects

The bill modifies the requirements that the Board of Governors (BOG) must consider prior to including a new Public Education Capital Outlay (Peco) project for new construction, remodeling, or renovation, in its prioritized funding requests to the Governor and Legislature. Universities are required to place one percent of the total building value of the new PECO project into a reserve escrow account for future maintenance needs. The bill removes the requirement that the reserve be specific to a new project, thus allowing flexible use of these reserved funds for other higher-priority maintenance needs.

Transfer of University of South Florida Sarasota-Manatee Campus Facilities to New College of Florida

The bill transfers property ownership, leaseholds, fixed capital facilities, and associated equipment and furnishings within these facilities from the University of South Florida (USF) Sarasota-Manatee campus to the New College of Florida (NCF). The bill further directs the NCF to assume full liability by October 30, 2026, for any outstanding debt as of July 1, 2026, including any fees and costs associated with the transfer of such debt. Until that time, the NCF is

³¹ Section 1004.70, F.S.

³² Section 1004.89, F.S.

³³ U.S. Department of Education, *Title IX and Athletics*, available at <https://www.ed.gov/laws-and-policy/civil-rights-laws/title-ix-and-sex-discrimination/title-ix-key-issues/title-ix-and-athletics> (last visited Feb. 25, 2026).

³⁴ Section 1006.71, F.S.

to remit monthly payments of \$166,617 to the USF for the debt service on the facilities transferred on July 1, 2026.

The bill provides that the USF students who were enrolled at the Sarasota-Manatee campus prior to July 1, 2026, and are continuously enrolled at the USF, are to receive the highest priority for use of classroom space in any of the transferred properties, so long as the student graduates no later than four years after his or her initial enrollment. A student whose initial offer of admission to the USF is after July 1, 2026, may no longer designate the USF Sarasota-Manatee campus as his or her home campus. Existing contracts for the lease of temporary residence at a USF facility must be honored by the NCF until August 15, 2027, unless the student voluntarily opts to vacate the contract before its expiration date. The student is released from cancellation fees or the remaining rental charges he or she decides to terminate the contract.

Postsecondary Tuition and Fees for Nonresident Students

The bill removes the BOG's authority to establish out-of-state fees for all programs. The bill authorizes each university board of trustees to establish such fees, provided the sum of tuition and out-of-state fees assessed to nonresident students offsets the full instructional cost of serving nonresident students.

The bill removes the requirement specifying that the block tuition policy for nonresident undergraduate students be based on the per-credit hour undergraduate tuition and out-of-state fee to conform to the removal of the authority of the BOG to establish out-of-state fees for all programs.

Institute for Freedom in the Americas at Miami Dade College

The bill removes the requirement that the Institute for Freedom in the Americas must partner with the Adam Smith Center for Economic Freedom to host symposiums, workshops, and conferences. The bill also removes the requirement for the Miami Dade College Board of Trustees to approve a direct-support organization for the Institute. This policy was included in the Fiscal Year 2025-2026 Implementing Bill, the provisions of which expire on June 30, 2026.

State University System Carry Forward Funds

The bill requires that a state university carry forward spending plan identify at least 12 percent of the carry forward balance towards a PECO project for which the university has previously received funding and requires additional funding to be completed, or towards a deferred building maintenance project. The spending plan must identify the specific project and amount. The bill requires a university's carry forward spending plan to include detailed documentation of expenditures that the university applied towards PECO projects identified the prior year carry forward spending plan.

Additionally, the bill expands the list of authorized expenditures that a university may include in its carry forward spending plan to include deferred building maintenance expenses for projects that improve the health and safety of its facilities.

Educational Facilities

The bill modifies the definition of “educational facilities” to clarify that a university facility providing research activities is to be considered within the state’s fixed capital outlay and facilities planning framework.

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:

None.

C. Government Sector Impact:

This bill does not have a fiscal impact on state government.

To the extent a university raises its out-of-state fee for nonresident students, additional tuition and fees may be generated for the university.

The General Appropriations Act (GAA) for the 2025-2026 fiscal year included a recurring reduction of \$20,000,000 to the Programs of Strategic Emphasis Waiver

program, as the provisions of this bill were included in the Fiscal Year 2025-2026 Implementing Bill. Maintaining this provision extends the policy for which a budget reduction has already been applied.

The House of Representative's GAA for the 2026-2027 fiscal year transfers a total of \$22,472,567 from the University of Florida's base state operating funds to the New College of Florida to effectuate the transfer of facilities, property, and associated debt.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1001.706, 1004.342, 1004.344, 1004.89, 1009.24, 1009.26, 1011.45, 1011.90, and 1013.01.

This bill creates an undesignated section of law.

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:

Barcode 160978 by Appropriations on March 2, 2026:

This amendment deletes everything after the enacting clause.

(WITH TITLE AMENDMENT)



160978

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Harrell) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5601

2026

1 A bill to be entitled
 2 An act relating to higher education; amending s.
 3 1001.706, F.S.; revising requirements for certain
 4 funds held in an escrow account relating to certain
 5 capital outlay projects; creating s. 1004.342, F.S.;
 6 providing definitions; transferring specified assets
 7 and liabilities from the University of South Florida
 8 Sarasota/Manatee to New College of Florida by
 9 specified dates; requiring New College of Florida to
 10 provide a specified monthly payment to the University
 11 of South Florida until such transfer is complete;
 12 requiring such transfer to be in a written joint
 13 transfer agreement; providing requirements for such
 14 agreement and the transfer of such assets and
 15 liabilities; requiring a facility use agreement
 16 between the University of South Florida
 17 Sarasota/Manatee and New College of Florida; providing
 18 requirements for such agreement; providing
 19 construction; providing applicability; providing
 20 specified immunity from liability; providing for
 21 future repeal; amending s. 1004.344, F.S.; removing
 22 the requirement for the Florida Center for the
 23 Partnerships for Arts Integrated Teaching to be
 24 physically housed at the University of South Florida
 25 Sarasota/Manatee; amending s. 1009.24, F.S.; revising

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

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26 programs for which the Board of Governors may
 27 establish tuition; authorizing state university boards
 28 of trustees to establish out-of-state fees for
 29 nonresident students; removing a provision requiring
 30 that adjustments to certain out-of-state fees not
 31 exceed a certain amount; removing a provision
 32 requiring certain actions to be taken by a state
 33 university in accordance with Board of Governors
 34 regulations; removing a requirement for a block
 35 tuition policy for nonresident undergraduate students;
 36 repealing sections 5, 7, and 9 of chapter 2025-199,
 37 Laws of Florida, relating to the future repeal of
 38 amendments to ss. 1011.45, 1009.26, and 1004.89, F.S.;
 39 amending s. 1011.45, F.S.; removing an obsolete date;
 40 amending s. 1011.90, F.S.; authorizing state funds to
 41 be used to support specified requirements in state and
 42 federal law; amending s. 1013.01, F.S.; revising the
 43 definition of the term "educational facilities";
 44 providing an effective date.

46 Be It Enacted by the Legislature of the State of Florida:
 47
 48

49 **Section 1. Paragraph (c) of subsection (12) of section**
 50 **1001.706, Florida Statutes, is amended to read:**

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51 1001.706 Powers and duties of the Board of Governors.—

52 (12) PUBLIC EDUCATION CAPITAL OUTLAY.—The Board of
 53 Governors shall submit the prioritized list as required by s.
 54 1013.64(4). Projects considered for prioritization shall be
 55 chosen from a preliminary selection group which shall include
 56 the list of projects maintained pursuant to paragraph (d) and
 57 the top two priorities of each state university.

58 (c) A new construction, remodeling, or renovation project
 59 that has not received an appropriation in a previous year shall
 60 not be considered for inclusion on the prioritized list required
 61 by s. 1013.64(4), unless:

62 1. A plan is provided to reserve funds in an escrow
 63 account, ~~specific to the project~~, into which shall be deposited
 64 each year an amount of funds equal to 1 percent of the total
 65 value of the building for future maintenance;

66 2. There exists sufficient capacity within the cash and
 67 bonding estimate of funds by the Revenue Estimating Conference
 68 to accommodate the project within the 3-year Public Education
 69 Capital Outlay funding cycle; and

70 3. The project has been recommended pursuant to s.
 71 1013.31.

72 **Section 2. Section 1004.342, Florida Statutes, is created**
 73 **to read:**

74 1004.342 Efficient use of state university system assets
 75 in Manatee and Sarasota Counties.—

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76 (1) DEFINITIONS.—As used in this section and in its
 77 applicability in contracts, leases, and other written
 78 instruments involved in implementing this section:

79 (a) The following terms have the same meaning and should
 80 be interpreted and used interchangeably:

81 1. "University of South Florida Sarasota/Manatee."

82 2. "University of South Florida Sarasota-Manatee."

83 3. "USF Sarasota/Manatee."

84 4. "USF Sarasota-Manatee."

85 (b) The term "New College" means New College of Florida.

86 (c) The term "USF" means the University of South Florida.

87 (2) TRANSFER OF ASSETS AND LIABILITIES BETWEEN STATE

88 UNIVERSITY INSTITUTIONS AND CAMPUSES.—

89 (a) The board of trustees of New College of Florida shall,
 90 as soon as reasonably practical, but no later than October 30,
 91 2026, complete all steps necessary or appropriate to assume,
 92 legally and financially, the full liability for any outstanding
 93 debt for any facilities constructed upon the properties that
 94 encompass the University of South Florida Sarasota/Manatee
 95 campus, including, but not limited to, any fees and costs
 96 associated with transferring, satisfying, retiring, defeasing,
 97 or repaying such debt obligations. The facilities contemplated
 98 in this paragraph include, but are not limited to, any
 99 dormitories or other campus facilities that were financed in
 100 whole or in part with debt payable by the board of trustees of

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101 the University of South Florida or the University of South
 102 Florida Financing Corporation and for which a balance of that
 103 debt remains outstanding on July 1, 2026.

104 (b) Until such time as New College of Florida completes
 105 the obligations listed in paragraph (a), New College of Florida
 106 shall transfer to the University of South Florida monthly a
 107 payment equal to the outstanding debt service on the facilities
 108 contemplated in this section, which shall be \$166,617 per month.
 109 All payments described in this section shall be paid from
 110 sources available to New College of Florida and may not be paid
 111 or funded from the University of South Florida or the University
 112 of South Florida Sarasota/Manatee sources. The failure of New
 113 College of Florida to transfer the amounts described in this
 114 section shall invalidate the transfer of facilities, and such
 115 facilities shall revert to the University of South Florida.

116 (c) Subject to the requirements of paragraphs (b) and (d),
 117 all real property encompassing the University of South Florida
 118 Sarasota/Manatee campus, and any existing contracts, leases,
 119 obligations, responsibilities, and liabilities of the board of
 120 trustees of the University of South Florida which are
 121 principally associated with such real property or any facilities
 122 constructed upon those parcels, must be transferred to the board
 123 of trustees of New College of Florida by July 1, 2026. New
 124 College of Florida shall be solely responsible for all costs of
 125 operating, repairing, replacing, renovating, and maintaining the

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126 facilities contemplated in this section as of the date of
 127 transfer.

128 (d)1. The determination of the specific assets and
 129 liabilities to be transferred under this section must be made in
 130 a written joint transfer agreement, including the facility use
 131 agreement required by subsection (3), between the board of
 132 trustees of the University of South Florida and the board of
 133 trustees of New College of Florida by July 1, 2026. The boards
 134 of trustees must jointly submit the signed agreements to the
 135 Board of Governors. When determining the specific assets and
 136 liabilities to be transferred between institutions, the board of
 137 trustees of each institution must adhere to the following
 138 guiding principles:

139 a. Any academic, administrative, or residential buildings
 140 and other assets that are reasonably considered permanent and
 141 immovable from the existing University of South Florida
 142 Sarasota/Manatee campus parcels, including general educational
 143 and classroom furnishings and fixtures located therein, shall be
 144 transferred to the board of trustees of New College of Florida
 145 for the future use of New College of Florida students and
 146 faculty.

147 b. Any intellectual property, intangible property,
 148 educational and research equipment that is not permanently
 149 affixed to the facilities, computers and other equipment
 150 previously assigned to personnel remaining in employment with

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151 the University of South Florida, records, and any institutional
 152 insignia or items that have historical significance to the
 153 University of South Florida which are not specifically
 154 associated with the parcels of land or facilities that will be
 155 transferred shall remain the property of the board of trustees
 156 of the University of South Florida.

157 c. Contracts for the lease of a temporary residence on the
 158 University of South Florida Sarasota/Manatee campus between the
 159 University of South Florida and a student, or an individual
 160 acting on the student's behalf, which are in place before the
 161 transfer of ownership of a residential facility on that campus
 162 must be:

163 I. Transferred from the University of South Florida to New
 164 College of Florida.

165 II. Fully honored in terms, duration, and price by the
 166 board of trustees of New College of Florida until at least
 167 August 15, 2027, unless the student or lessee voluntarily opts
 168 to vacate the residential contract before its expiration date, in
 169 which case New College of Florida must allow the lessee to go
 170 free of any cancellation fee or remaining rental charge.

171 2. In the event of a dispute on the transfer of any
 172 specific assets and liabilities required by this section before
 173 July 1, 2026, the boards must jointly notify the Board of
 174 Governors of the remaining points of disagreement. The Board of
 175 Governors, by majority vote, must resolve any remaining disputed

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176 issues and terms and order the specific transfers no later than
 177 September 30, 2026. When determining and ordering any disputed
 178 transfers, the Board of Governors must adhere to the guiding
 179 principles in subparagraph 1.

180 (3) FACILITY USE AGREEMENT.—

181 (a) A University of South Florida student who was admitted
 182 to the university before July 1, 2026, and who remains
 183 continuously enrolled must receive the highest priority for the
 184 use of space for classroom instruction and associated
 185 educational needs in any transferred property or facility until
 186 the student has been provided the opportunity to graduate from
 187 the University of South Florida within a reasonable period of
 188 time, not to exceed 4 full academic years after the date of the
 189 student's initial enrollment, as determined by the board of
 190 trustees of the University of South Florida.

191 (b) The board of trustees of New College of Florida must
 192 enter into a facility use agreement with the board of trustees
 193 of the University of South Florida which makes available, free
 194 of any charge to the University of South Florida, sufficient
 195 academic and student support space in the transferred properties
 196 or facilities so that a University of South Florida student who
 197 was admitted to the university before July 1, 2026, has the
 198 reasonable opportunity to complete his or her University of
 199 South Florida degree programs on his or her local campus and to
 200 ensure that New College of Florida students, faculty, and staff

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201 have access to the educational and administrative space, when
 202 feasible, during and throughout the University of South Florida
 203 teach-out process.

204 (c) The University of South Florida may not allow a newly
 205 enrolled student whose initial offer of admission to the
 206 university came after July 1, 2026, to designate the University
 207 of South Florida Sarasota/Manatee campus as the student's home
 208 campus of the University of South Florida.

209 (d) This subsection does not prohibit the University of
 210 South Florida and New College of Florida from jointly entering
 211 into any other mutual agreement to share or use space in any of
 212 the transferred properties or facilities when it is in the best
 213 interest of both institutions or the students thereof.

214 (4) IMMUNITY FROM LIABILITY.—The board of trustees of the
 215 University of South Florida and the board of trustees of New
 216 College of Florida, and their respective officers, trustees,
 217 employees, attorneys, and agents, are immune from any and all
 218 civil liability pertaining to or arising from compliance with
 219 this section, including the transfers required by, or those made
 220 as a direct result of, this section.

221 (5) REPEAL.—This section is repealed July 1, 2028, but
 222 after that date the asset transfers required by this section
 223 shall not be impacted solely by the repeal of this section.

224 **Section 3. Subsection (1) of section 1004.344, Florida**
 225 **Statutes, is amended to read:**

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226 1004.344 The Florida Center for the Partnerships for Arts
 227 Integrated Teaching.—

228 (1) The Florida Center for the Partnerships for Arts
 229 Integrated Teaching is created within the University of South
 230 Florida ~~and shall be physically headquartered at the University~~
 231 ~~of South Florida Sarasota/Manatee.~~

232 **Section 4. Subsections (4) and (5), paragraph (c) of**
 233 **subsection (8), and paragraph (a) of subsection (15) of section**
 234 **1009.24, Florida Statutes, are amended to read:**

235 1009.24 State university student fees.—

236 (4)(a) Effective July 1, 2014, the resident undergraduate
 237 tuition for lower-level and upper-level coursework shall be
 238 \$105.07 per credit hour.

239 (b) The Board of Governors may establish tuition for
 240 graduate and professional programs.

241 (c) Each university board of trustees may establish and
 242 out-of-state fees for nonresident students all programs. Except
 243 as otherwise provided in this section, the sum of tuition and
 244 out-of-state fees assessed to nonresident students must be
 245 sufficient to offset the full instructional cost of serving such
 246 students.

247 (d) However, Adjustments to ~~out-of-state fees or~~ tuition
 248 for graduate programs and professional programs may not exceed
 249 15 percent in any year.

250 (e)-(e) The Board of Governors may consider and approve

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251 flexible tuition policies as requested by a university board of
 252 trustees in accordance with subsection (15) only to the extent
 253 such policies are in alignment with the mission of the
 254 university and do not increase the state's fiscal liability or
 255 obligations, including, but not limited to, any fiscal liability
 256 or obligation for programs authorized under ss. 1009.53-1009.538
 257 and ss. 1009.97-1009.984.

258 (f) ~~(d)~~ The sum of the activity and service, health, and
 259 athletic fees a student is required to pay to register for a
 260 course may not exceed 40 percent of the tuition established in
 261 law or in the General Appropriations Act. No university shall be
 262 required to lower any fee in effect on the effective date of
 263 this act in order to comply with this subsection. Within the 40
 264 percent cap, universities may not increase the aggregate sum of
 265 activity and service, health, and athletic fees more than 5
 266 percent per year unless specifically authorized in law or in the
 267 General Appropriations Act. A university may increase its
 268 athletic fee to defray the costs associated with changing
 269 National Collegiate Athletic Association divisions. Any such
 270 increase in the athletic fee may exceed both the 40 percent cap
 271 and the 5 percent cap imposed by this subsection. Any such
 272 increase must be approved by the athletic fee committee in the
 273 process outlined in subsection (12) and may not exceed \$2 per
 274 credit hour. Notwithstanding ss. 1009.534, 1009.535, and
 275 1009.536, that portion of any increase in an athletic fee

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276 pursuant to this subsection which causes the sum of the activity
 277 and service, health, and athletic fees to exceed the 40 percent
 278 cap or the annual increase in such fees to exceed the 5 percent
 279 cap may not be included in calculating the amount a student
 280 receives for a Florida Academic Scholars award, a Florida
 281 Medallion Scholars award, or a Florida Gold Seal Vocational
 282 Scholars award. Notwithstanding this paragraph and subject to
 283 approval by the board of trustees, each state university may
 284 exceed the 5-percent cap on the annual increase to the aggregate
 285 sum of activity and service, health, and athletic fees for the
 286 2010-2011 fiscal year. Any such increase may not exceed 15
 287 percent or the amount required to reach the 2009-2010 fiscal
 288 year statewide average for the aggregate sum of activity and
 289 service, health, and athletic fees at the main campuses,
 290 whichever is greater. The aggregate sum of the activity and
 291 service, health, and athletic fees may not exceed 40 percent of
 292 tuition. Any increase in the activity and service fee, health
 293 fee, or athletic fee must be approved by the appropriate fee
 294 committee pursuant to subsection (10), subsection (11), or
 295 subsection (12).

296 (g) ~~(e)~~ This subsection does not prohibit a university from
 297 increasing or assessing optional fees related to specific
 298 activities if payment of such fees is not required as a part of
 299 registration for courses.

300 (5) A university may implement a differential out-of-state

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301 ~~fee in accordance with regulations developed by the Board of~~
 302 ~~Governors~~ for the following:

303 (a) A student from another state that borders the service
 304 area of the university.

305 (b) A graduate student who has been determined to be a
 306 nonresident for tuition purposes pursuant to s. 1009.21 and has
 307 a .25 full-time equivalent appointment or greater as a graduate
 308 assistant, graduate research assistant, graduate teaching
 309 assistant, graduate research associate, or graduate teaching
 310 associate.

311 (c) A graduate student who has been determined to be a
 312 nonresident for tuition purposes pursuant to s. 1009.21 and is
 313 receiving a full fellowship.

314 (8)

315 (c) The fee may not exceed 10 percent of the tuition for
 316 resident students ~~or 10 percent of the sum of tuition and out-~~
 317 ~~of-state fees for nonresident students.~~ The fee for resident
 318 students shall be limited to an increase of \$2 per credit hour
 319 over the prior year. The Capital Improvement Trust Fund fee may
 320 be used to fund any project or real property acquisition that
 321 meets the requirements of chapter 1013. The Division of Bond
 322 Finance of the State Board of Administration shall analyze any
 323 proposed reductions to the Capital Improvement Trust Fund fee to
 324 ensure consistency with prudent financial management of the bond
 325 program associated with the revenues from the fee. The Board of

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326 Governors shall approve any proposed fee reductions provided
 327 that no such reduction reduces the fee below the level
 328 established in paragraph (a).

329 (15) (a) The Board of Governors may approve:

330 1. A proposal from a university board of trustees to
 331 establish a new student fee that is not specifically authorized
 332 by this section.

333 2. A proposal from a university board of trustees to
 334 increase the current cap for an existing fee authorized pursuant
 335 to paragraphs (14) (a)-(g).

336 3. A proposal from a university board of trustees to
 337 implement flexible tuition policies, such as undergraduate or
 338 graduate block tuition, block tuition differential, or market
 339 tuition rates for graduate-level online courses or graduate-
 340 level courses offered through a university's continuing
 341 education program. A block tuition policy for resident
 342 undergraduate students or undergraduate-level courses shall be
 343 based on the per-credit-hour undergraduate tuition established
 344 under subsection (4). ~~A block tuition policy for nonresident~~
 345 ~~undergraduate students shall be based on the per-credit-hour~~
 346 ~~undergraduate tuition and out-of-state fee established under~~
 347 ~~subsection (4).~~ Flexible tuition policies, including block
 348 tuition, may not increase the state's fiscal liability or
 349 obligation.

350 **Section 5.** Sections 5, 7, and 9 of chapter 2025-199, Laws

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351 of Florida, are repealed.

352 **Section 6. Subsection (3) of section 1011.45, Florida**
 353 **Statutes, is amended to read:**

354 1011.45 End of year balance of funds.—Unexpended amounts
 355 in any fund in a university current year operating budget shall
 356 be carried forward and included as the balance forward for that
 357 fund in the approved operating budget for the following year.

358 (3) A university's carry forward spending plan must
 359 include the estimated cost per planned expenditure and a
 360 timeline for completion of the expenditure. A carry forward
 361 spending plan may include retention of the carry forward balance
 362 as a reserve fund to be used for authorized expenses in
 363 subsequent years. For any annual reserve balance in excess of
 364 the 7 percent minimum carry forward balance pursuant to
 365 subsection (1), the authorized expenditures in a carry forward
 366 spending plan must include a commitment of 12 percent of the
 367 university's prior 2025-2026 fiscal year state operating fund
 368 carry forward balance to fund a public education capital outlay
 369 project for which an appropriation has previously been provided
 370 which requires additional funds for completion and which is
 371 included in the list required by s. 1001.706(12)(d) or for
 372 deferred building maintenance expenses. The carry forward
 373 spending plan must identify the specific public education
 374 capital outlay project and the amount the university will
 375 contribute toward the fixed capital outlay project pursuant to

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376 s. 1001.706(12)(d) or specific deferred maintenance project.

377 Authorized expenditures in a carry forward spending plan may
 378 include:

379 (a) Commitment of funds to a public education capital
 380 outlay project for which an appropriation has previously been
 381 provided that requires additional funds for completion and which
 382 is included in the list required by s. 1001.706(12)(d);

383 (b) Completion of a renovation, repair, or maintenance
 384 project that is consistent with s. 1013.64(1) or replacement of
 385 a minor facility;

386 (c) Completion of a remodeling or infrastructure project,
 387 including a project for a developmental research school, if such
 388 project is survey recommended pursuant to s. 1013.31;

389 (d) Completion of a repair or replacement project
 390 necessary due to damage caused by a natural disaster for
 391 buildings included in the inventory required pursuant to s.
 392 1013.31;

393 (e) Operating expenditures that support the university's
 394 mission;

395 (f) Any purpose specified by the board or in the General
 396 Appropriations Act, including the requirements in s.
 397 1001.706(12)(c) or similar requirements pursuant to Board of
 398 Governors regulations;

399 (g) A commitment of funds to a contingency reserve for
 400 expenses incurred as a result of a state of emergency declared

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by the Governor pursuant to s. 252.36; and

(h) Deferred building maintenance expenses for the maintenance, repair, and renovation of projects to improve the health and safety of such facilities.

Section 7. Subsection (8) is added to section 1011.90, Florida Statutes, to read:

1011.90 State university funding.—

(8) State funds may be used in support of the requirements of Title IX of the Education Amendments of 1972 and s. 1006.71, including fixed capital outlay, scholarships, administration, recruitment, comparable coaching, and other related costs.

Section 8. Subsection (6) of section 1013.01, Florida Statutes, is amended to read:

1013.01 Definitions.—The following terms shall be defined as follows for the purpose of this chapter:

(6) "Educational facilities" means the buildings and equipment, structures, and special educational and research use areas that are built, installed, or established to serve primarily the educational purposes and secondarily the social and recreational purposes of the community and which may lawfully be used as authorized by the Florida Statutes and approved by boards.

Section 9. This act shall take effect upon becoming a law.



160978

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Harrell) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5701

INTRODUCER: Agriculture & Natural Resources Budget Subcommittee and Representative Snyder

SUBJECT: Petroleum Cleanup Programs

DATE: February 27, 2026

REVISED: 3/2/26

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Reagan	Sadberry	AP	Fav/1 amendment

Please see Section IX. for Additional Information:

AMENDMENTS - Significant amendments were recommended

I. Summary:

HB 5701 conforms current law to the proposed House of Representatives' Fiscal Year 2026-2027 General Appropriations Act (GAA). The bill amends the Petroleum Cleanup Participation Program (PCPP) and the Florida Petroleum Liability and Restoration Insurance Program (PLRIP) to remove program deductibles, copayments, and monetary caps for eligible parties and have the costs absorbed by the Inland Protection Trust Fund.

The bill will likely have a negative impact, estimated at \$4.1 million, on the Inland Protection Trust Fund (IPTF) in the Department of Environmental Protection (DEP). See Section V., Fiscal Impact Statement.

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

II. Present Situation:

Petroleum Restoration Program

Petroleum is stored in thousands of underground and aboveground storage tank systems throughout Florida. Releases of petroleum into the environment may occur as a result of accidental spills, storage tank system leaks, or poor maintenance practices. These discharges pose a significant threat to groundwater quality,¹ the source of 60 percent of Florida's total water

¹ U.S. Environmental Protection Agency, *Underground Storage Tanks (USTs)*, available at <https://www.epa.gov/ust> (last visited Jan. 28, 2026).

used.² The identification and cleanup of petroleum contamination is particularly challenging due to Florida's diverse geology, diverse water systems, and the complex dynamics between contaminants and the environment.

In 1983, Florida began enacting legislation to regulate underground and aboveground storage tank systems in an effort to protect Florida's groundwater from past and future petroleum releases.³ The Department of Environmental Protection (DEP) regulates these storage tank systems.⁴ Further, the DEP may establish criteria for the prioritization, assessment and cleanup, and reimbursement for cleanup of areas contaminated by leaking underground petroleum storage tanks.⁵ The Petroleum Restoration Program (PRP) establishes the requirements and procedures for cleaning up contaminated land, as well as the circumstances under which the state will pay for the cleanup.⁶

To fund the cleanup of contaminated petroleum sites, the Legislature created the Inland Protection Trust Fund (IPTF).⁷ The state levies an excise tax on each barrel of petroleum and petroleum products produced in or imported into the state to fund the IPTF.⁸ The state determines the amount of the excise tax for each barrel based on a formula that is dependent upon the unobligated balance of the IPTF.⁹

The owner of contaminated land or the person who caused the discharge is responsible for rehabilitating the land, unless the site owner can show that the contamination resulted from the activities of a previous owner or other third party (responsible party), who is then responsible.¹⁰ Over the years, the DEP has implemented different programs to provide state financial assistance to certain eligible site owners and responsible parties for site rehabilitation.¹¹ To receive rehabilitation funding assistance, a site must qualify for one of the following Petroleum Cleanup Eligibility Programs:

- Abandoned Tank Restoration Program (ATRP)
 - Innocent Victim Petroleum Storage System Restoration Program (IVPSSRP).
 - Indigent ATRP.
 - Early Detection Incentive Program (EDI).
 - Petroleum Liability and Restoration Insurance Program (PLRIP).
 - Petroleum Cleanup Participation Program (PCPP).

² South Florida Water Management District, <https://www.sfwmd.gov/science-data/gw-modeling> (last visited Jan. 28, 2026).

³ Chapter 83-310, Laws of Fla.

⁴ Sections 376.30(3) and 376.303, F.S.

⁵ Section 376.3071(5), F.S.

⁶ DEP, *Petroleum Restoration Program*, available at <https://floridadep.gov/Waste/Petroleum-Restoration> (last visited Jan. 28, 2026).

⁷ Section 376.3071(3)-(4), F.S.

⁸ Sections 206.9935(3), F.S. and 376.3071(7), F.S.

⁹ The amount of the excise tax per barrel is based on the following formula: 30 cents if the unobligated balance is between \$100 million and \$150 million; 60 cents if the unobligated balance is above \$50 million, but below \$100 million; and 80 cents if the unobligated balance is \$50 million or less. Section 206.9935(3), F.S.

¹⁰ Section 376.308, F.S.

¹¹ Section 376.3071(12)(a), F.S.

Petroleum Cleanup Participation Program

In 1996, the Legislature created the PCPP to implement a cost-sharing cleanup program to provide rehabilitation funding assistance for all property contaminated by discharges of petroleum or petroleum products from a petroleum storage system that occurred before January 1, 1995. Petroleum discharges from sources other than a petroleum storage system cannot receive funding under the PCPP.¹² Further, the following sites are not eligible for the PCPP:

- Sites where the DEP has been denied access;
- Sites owned or operated by the federal government;
- Sites identified by the United States Environmental Protection Agency to be on, or which qualify for listing on, the National Priorities List under Superfund; and
- Sites that are eligible under the ATRP, the EDI, or the PLRIP.¹³

The DEP ranks PCPP sites based on human health and safety risks.¹⁴ When funds become available, the DEP will notify the owner, operator, or person otherwise responsible for site rehabilitation (owner or responsible party) in writing, based on that priority ranking.¹⁵ The owner or responsible party must then prepare and provide the DEP with a limited contamination assessment report sufficient to determine the extent of the contamination and cleanup.¹⁶ After approval from the DEP, the owner or responsible party must enter into a PCPP agreement with the DEP. The owner or responsible party may recommend a department term contractor to clean up the PCPP eligible discharge, but is not required to do so. Sites qualifying for the program are eligible for up to \$400,000 of site rehabilitation funding.¹⁷ The DEP may approve supplemental funding of up to \$100,000 for additional remediation and monitoring at PCPP sites if such remediation and monitoring is necessary to achieve a NFA order.¹⁸ The owner or responsible party must agree to pay a 25 percent copayment.¹⁹ The copayment percentage may be reduced or eliminated if the owner or responsible party demonstrates an inability to pay.²⁰

Florida Petroleum Liability and Restoration Insurance Program

In 1988, the Legislature created the Florida Petroleum Liability Insurance Program to provide petroleum cleanup funding and third-party liability insurance to eligible petroleum facilities.²¹ Petroleum facilities that were in state regulatory compliance eligibility to purchase \$1 million in pollution liability protection and provided \$1 million worth of site restoration coverage through reimbursement or state cleanup.²² In 1992, the Legislature renamed the program the Florida Petroleum Liability and Restoration Insurance Program (PLRIP) and specified dates that qualify

¹² Section 376.3071(13), F.S.

¹³ Section 376.3071(13)(h), F.S.

¹⁴ Rule 62-771.100(1), F.A.C.

¹⁵ DEP, *Petroleum Cleanup Participation Program (PCPP)*, available at <https://floridadep.gov/waste/petroleum-restoration/content/petroleum-cleanup-participation-program-pcpp> (last visited Jan. 28, 2026).

¹⁶ Section 376.3071(13)(d), F.S.

¹⁷ Section 376.3071(13)(b), F.S.

¹⁸ Section 376.3071(13)(c), F.S.

¹⁹ Section 376.3071(13)(d), F.S.

²⁰ Section 376.3071(13)(d), F.S.

²¹ Chapter 88-331, Laws of Fla.

²² DEP, *Petroleum Liability & Restoration Insurance Program (PLRIP)*, available at <https://floridadep.gov/waste/petroleum-restoration/content/petroleum-liability-restoration-insurance-program-plrip> (last visited Jan. 28, 2026).

for eligibility in the program with eligibility for the claims in the program ending January 1, 1999 as private commercial liability insurance become more readily available.²³

Monetary caps were put into statute to limit the maximum spending per site that required cleanup or third-party insurance.²⁴ In 1992, the PLRIP created incident reporting date tiers for monetary caps and deductibles based on the when a petroleum incident occurred.²⁵ In 2008, the monetary caps were increased on the PLRIP on sites where a rehabilitation order had not been issued before June 1, 2008. The increased monetary caps and deductibles are as listed below:

- Pre 7/1/1992 - \$1.2 M monetary cap (\$2 M annual facility aggregate, no deductible)
- 7/1/1992 – 6/30/1993 - \$1.2 M monetary cap (\$1,000 deductible)
- 7/1/1993 – 12/31/1993 - \$1.2 M monetary cap (\$5,000 deductible)
- 1/1/1994 – 12/31/1996 - \$400,000 monetary cap (\$10,000 deductible)
- 1/1/1997 – 12/31/1998 - \$300,000 monetary cap (\$10,000 deductible)
- After 1/1/1999 – no coverage²⁶

Claims only apply to pre-January 1, 1999, incidents and payments made through the PLRIP are funded through the IPTF.

III. Effect of Proposed Changes:

The bill amends ss. 376.3071 and 376.3072, F.S., to eliminate program deductibles, copayments, and monetary caps for the Petroleum Cleanup Participation Program and the Florida Petroleum Liability and Restoration Insurance Program, respectively, for responsible or eligible parties.

The effective date of the bill is 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.

²³ *Id.*

²⁴ Chapter 1992-30, Laws of Fla.

²⁵ *Id.*

²⁶ Section 376.3072(2)(d), F.S.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill will likely have a positive impact to the private sector for those eligible parties that are required to pay deductible and copayments associated with the PCCP and the PLRIP.

C. Government Sector Impact:

The bill will have a negative impact on the IPTF in the DEP. The DEP estimates that the annual fiscal impact at \$4.2 million.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 376.3071 and 376.3072.

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:

Barcode 562810 by Appropriations on March 2, 2026:

This amendment deletes everything and does not insert additional language.

(WITH TITLE AMENDMENT)



562810

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

HB 5701

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1 A bill to be entitled
 2 An act relating to petroleum cleanup programs;
 3 amending ss. 376.3071 and 376.3072 F.S.; removing the
 4 2025-2026 fiscal year limitation on prohibiting
 5 certain deductibles and copays, prohibiting
 6 enforcement of certain monetary caps, requiring that
 7 certain costs be absorbed at the expense of the Inland
 8 Protection Trust Fund, and providing exceptions;
 9 providing an effective date.

10
 11 Be It Enacted by the Legislature of the State of Florida:

12
 13 **Section 1. Paragraph (i) of subsection (13) of section**
 14 **376.3071, Florida Statutes, is amended, and paragraph (g) of**
 15 **subsection (15) is reenacted, to read:**

16 376.3071 Inland Protection Trust Fund; creation; purposes;
 17 funding.—

18 (13) PETROLEUM CLEANUP PARTICIPATION PROGRAM.—To encourage
 19 detection, reporting, and cleanup of contamination caused by
 20 discharges of petroleum or petroleum products, the department
 21 shall, within the guidelines established in this subsection,
 22 implement a cleanup program to provide rehabilitation funding
 23 assistance for all property contaminated by discharges of
 24 petroleum or petroleum products from a petroleum storage system
 25 occurring before January 1, 1995. Eligibility is subject to an

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26 annual appropriation from the fund. Additionally, funding for
 27 eligible sites is contingent upon annual appropriation in
 28 subsequent years. Such continued state funding is not an
 29 entitlement or a vested right under this subsection. Eligibility
 30 shall be determined in the program, notwithstanding any other
 31 provision of law, consent order, order, judgment, or ordinance
 32 to the contrary.

33 (i) Notwithstanding this section, ~~for the 2025-2026 fiscal~~
 34 ~~year~~, program deductibles and copayments may not be assessed,
 35 monetary caps may not be enforced, and all costs for activities
 36 described in this subsection must be absorbed at the expense of
 37 the Inland Protection Trust Fund, without recourse to
 38 reimbursement or recovery, with the following exceptions:

39 1. This paragraph does not apply to a site where the
 40 department has been denied site access to implement this
 41 section.

42 2. This paragraph does not authorize or require
 43 reimbursement from the fund for costs expended before the
 44 beginning of the grace period.

45 3. Upon discovery by the department that the owner or
 46 operator of a petroleum storage system has been grossly
 47 negligent in the maintenance of such petroleum storage system;
 48 has, with willful intent to conceal the existence of a serious
 49 discharge, falsified inventory or reconciliation records
 50 maintained with respect to the site at which such system is

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located; or has intentionally damaged such petroleum storage system, the site at which such system is located is ineligible for participation in the incentive program and the owner is liable for all costs due to discharges from petroleum storage systems at that site.

~~This paragraph expires July 1, 2026.~~

(15) ETHANOL OR BIODIESEL DAMAGE; PREVENTIVE MEASURES.—The department shall pay, pursuant to this subsection, up to \$10 million each fiscal year from the fund for the costs of labor and equipment to repair or replace petroleum storage systems that may have been damaged due to the storage of fuels blended with ethanol or biodiesel, or for preventive measures to reduce the potential for such damage.

(g) Payments may not be made for the following:

1. Proposal costs or costs related to preparation of the application and required documentation;
2. Certified public accountant costs;
3. Except as provided in paragraph (j), any costs in excess of the amount approved by the department under paragraph (b) or which are not in substantial compliance with the purchase order;
4. Costs associated with storage tanks, piping, or ancillary equipment that has previously been repaired or replaced for which costs have been paid under this section;

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

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2026

5. Facilities that are not in compliance with department storage tank rules, until the noncompliance issues have been resolved; or

6. Costs associated with damage to petroleum storage systems caused in whole or in part by causes other than the storage of fuels blended with ethanol or biodiesel.

Section 2. Subsection (5) of section 376.3072, Florida Statutes, is amended to read:

376.3072 Florida Petroleum Liability and Restoration Insurance Program.—

(5) Notwithstanding subsections (1)–(4), ~~for the 2025–2026 fiscal year,~~ program deductibles or copayments may not be assessed, monetary caps may not be enforced, and all costs for activities described in this section must be absorbed at the expense of the Inland Protection Trust Fund, without recourse to reimbursement or recovery, with the following exceptions:

(a) This subsection does not apply to a site where the department has been denied site access to implement this section.

(b) This subsection does not authorize or require reimbursement from the fund for costs expended before the beginning of the grace period.

(c) Upon discovery by the department that the owner or operator of a petroleum storage system has been grossly negligent in the maintenance of such petroleum storage system;

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

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2026

101 has, with willful intent to conceal the existence of a serious
102 discharge, falsified inventory or reconciliation records
103 maintained with respect to the site at which such system is
104 located; or has intentionally damaged such petroleum storage
105 system, the site at which such system is located is ineligible
106 for participation in the incentive program and the owner is
107 liable for all costs due to discharges from petroleum storage
108 systems at that site.

109

110 ~~This subsection expires July 1, 2026.~~

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



562810

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/03/2026	.	
	.	
	.	
	.	

The Committee on Appropriations (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause.

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

And the title is amended as follows:

Delete everything before the enacting clause.

CourtSmart Tag Report

Room: SB 110

Case No.:

Type:

Caption: Senate Appropriations Committee

Judge:

Started: 3/2/2026 12:00:00 PM

Ends: 3/2/2026 5:17:36 PM **Length:** 05:17:37

12:01:22 PM	Sen. Hooper
12:01:31 PM	Roll Call
12:02:36 PM	Tab 1 - SB 6
12:02:40 PM	Sen. Calatayud
12:04:08 PM	Tab 10 - SB 1266
12:04:12 PM	Sen. Calatayud
12:05:01 PM	Sen. Massullo
12:06:22 PM	Tab 4 - SB 532
12:06:27 PM	Sen. Simon
12:07:41 PM	Morgan Parrish, Florida Court Clerks and Comptrollers Association (Waives In Support)
12:07:48 PM	Jason Welty, Florida Clerks of Court Operation Corporation (Waives In Support)
12:07:57 PM	Sen. Trumbull
12:08:19 PM	Sen. Simon
12:09:41 PM	Tab 12 - SB 1602
12:09:45 PM	Sen. Wright
12:12:46 PM	Tab 13 - SB 1604
12:12:49 PM	Sen. Wright
12:13:57 PM	Tab 7 - SB 1110
12:14:02 PM	Sen. Truenow
12:15:18 PM	Keegan Allison (Waives In Support)
12:15:28 PM	Peter Quintanilla (Waives In Support)
12:15:35 PM	Tobias King
12:18:06 PM	Sen. Pizzo
12:18:11 PM	Mr. King
12:18:14 PM	Sen. Pizzo
12:18:18 PM	Mr. King
12:18:24 PM	Sen. Massullo
12:18:45 PM	Mr. King
12:18:52 PM	Ansel Meadows-Rader
12:22:37 PM	Melissa Meadows
12:26:44 PM	Sen. Pizzo
12:27:14 PM	Sen. Massullo
12:27:47 PM	Sen. Smith
12:28:17 PM	Sen. Harrell
12:28:43 PM	Sen. Sharief
12:29:37 PM	Sen. Truenow
12:30:42 PM	Tab 6 - SB 1012
12:30:47 PM	Sen. Yarborough
12:31:01 PM	Amendment 264582
12:31:08 PM	Sen. Yarborough
12:32:04 PM	Sen. Garcia
12:32:18 PM	Sen. Yarborough
12:33:14 PM	SB 1012 (Cont.)
12:33:23 PM	Katherine Shea, Florida Department of Corrections (Waives In Support)
12:34:34 PM	Tab 14 - SB 1614
12:34:41 PM	Sen. Leek
12:35:01 PM	Amendment 339774
12:35:04 PM	Sen. Leek
12:35:58 PM	Sen. Pizzo
12:36:25 PM	SB 1614 (Cont.)
12:36:32 PM	Lucas Parsons, Florida Home Builders Association (Waives In Support)
12:38:02 PM	Tab 16 - SB 1760

12:38:07 PM	Sen. Brodeur
12:39:43 PM	Amendment 259076
12:39:48 PM	Sen. Brodeur
12:40:27 PM	Sen. Harrell
12:40:46 PM	Sen. Brodeur
12:41:18 PM	SB 1760 (Cont.)
12:41:24 PM	Sen. Harrell
12:41:27 PM	Sen. Brodeur
12:42:21 PM	Sen. Harrell
12:42:38 PM	Sen. Brodeur
12:43:05 PM	Mackenna Davis, U.S. Oncology (Waives In Support of Amendment 259076)
12:43:16 PM	Michael Cantens, Pharmaceutical Care Management Association
12:44:52 PM	Niklas Kleinworth, Paragon Health Institute
12:47:30 PM	David Mica, Florida Hospital Association (Waives In Support)
12:47:43 PM	Sen. Harrell
12:48:55 PM	Sen. Sharief
12:49:45 PM	Sen. Brodeur
12:52:14 PM	Tab 15 - SB 1758
12:52:18 PM	Sen. Gaetz
12:59:44 PM	Sen. Sharief
1:00:21 PM	Sen. Gaetz
1:00:49 PM	Sen. Sharief
1:01:09 PM	Sen. Gaetz
1:01:56 PM	Sen. Sharief
1:02:17 PM	Sen. Gaetz
1:02:47 PM	Sen. Sharief
1:03:01 PM	Sen. Gaetz
1:03:16 PM	Sen. Harrell
1:04:05 PM	Sen. Gaetz
1:05:07 PM	Sen. Harrell
1:05:47 PM	Sen. Gaetz
1:06:53 PM	Sen. Harrell
1:07:34 PM	Sen. Gaetz
1:07:59 PM	Sen. Harrell
1:08:12 PM	Sen. Gaetz
1:09:35 PM	Sen. Rouson
1:09:49 PM	Sen. Gaetz
1:10:56 PM	Sen. Sharief
1:11:50 PM	Sen. Gaetz
1:12:43 PM	Amendment 597682
1:12:47 PM	Sen. Gaetz
1:14:57 PM	Sen. Berman
1:15:35 PM	Amendment 562600
1:15:40 PM	Sen. Gaetz
1:16:13 PM	SB 1758 (Cont.)
1:16:20 PM	Sen. Berman
1:16:46 PM	Sen. Gaetz
1:17:08 PM	Sen. Berman
1:17:14 PM	Sen. Gaetz
1:17:28 PM	Sen. Berman
1:17:39 PM	Sen. Gaetz
1:17:49 PM	Sen. Berman
1:18:24 PM	Sen. Gaetz
1:18:42 PM	Sen. Berman
1:18:57 PM	Sen. Gaetz
1:19:30 PM	Sen. Polsky
1:19:46 PM	Sen. Gaetz
1:20:36 PM	Sen. Polsky
1:20:45 PM	Sen. Gaetz
1:21:35 PM	Sen. Polsky
1:21:42 PM	Sen. Gaetz
1:22:56 PM	Sen. Smith

1:23:46 PM	Sen. Gaetz
1:24:54 PM	Sen. Smith
1:25:43 PM	Sen. Gaetz
1:26:25 PM	Sen. Garcia
1:27:05 PM	Sen. Gaetz
1:27:54 PM	Sen. Berman
1:28:03 PM	Sen. Gaetz
1:28:58 PM	Sen. Berman
1:29:07 PM	Sen. Gaetz
1:29:26 PM	Sen. Berman
1:29:42 PM	Sen. Gaetz
1:30:01 PM	Sen. Berman
1:30:15 PM	Sen. Gaetz
1:31:07 PM	Sen. Berman
1:31:34 PM	Sen. Gaetz
1:32:09 PM	Sen. Polsky
1:32:49 PM	Sen. Gaetz
1:33:44 PM	Sen. Polsky
1:33:53 PM	Sen. Gaetz
1:35:33 PM	Cindy Huddleston, Florida Policy Institute
1:38:27 PM	Aurelie Colon Larruari, Southern Poverty Law Center
1:40:50 PM	JJ Holmes
1:44:45 PM	Alison Holmes
1:46:45 PM	Melanie Andrade Williams , Florida Health Justice Project
1:50:48 PM	Karen Woodall, Florida Center For Fiscal Economic Policy
1:53:43 PM	Susan Harbin, American Cancer Society Cancer Action Network
1:53:48 PM	Brian Meyer, Medicaid Director (Waives In Support)
1:53:53 PM	Ms. Harbin
1:56:27 PM	Sen. Massullo
1:56:47 PM	Ms. Harbin
1:56:51 PM	Sen. Massullo
1:56:59 PM	Ms. Harbin
1:57:02 PM	Sen. Massullo
1:57:10 PM	Ms. Harbin
1:58:26 PM	Ashley Lyerly, American Lung Association (Waives Against)
1:58:37 PM	Jossie Barroso, Florida Voices for Health
2:00:54 PM	Sen. Polsky
2:01:15 PM	Sen. Harrell
2:04:42 PM	Sen. Berman
2:06:38 PM	Sen. Smith
2:08:10 PM	Sen. Gaetz
2:15:00 PM	Tab 17 - SB 7046
2:15:33 PM	Sen. Gaetz
2:16:05 PM	Amendment 782234
2:16:09 PM	Sen. Gaetz
2:23:12 PM	Amendment 514398
2:23:29 PM	Sen. Smith
2:25:24 PM	Withdrawn
2:25:33 PM	Amendment 734878
2:25:45 PM	Sen. Gaetz
2:26:03 PM	Amendment 916018
2:26:07 PM	Sen. Rouson
2:26:58 PM	Withdrawn
2:27:07 PM	Amendment 782234 (Cont.)
2:27:18 PM	Jeff Sharkey, Tesla (Waives In Support)
2:27:24 PM	Mat Forrest, American Hotel Lodging Assn. and Destinations Florida (Waives Against)
2:27:35 PM	Chris Carmody, Central Florida Hotel & Lodging Association (Against Withdrawn Amendment 514398)
2:27:40 PM	Not read: Samantha Padgett, Florida Restaurant & Lodging Association (Against Withdrawn Amendment 514398)
2:27:50 PM	Sen. Pizzo
2:28:02 PM	Sen. Pizzo
2:28:37 PM	Sen. Gaetz

2:29:25 PM	SB 7046 (Cont.)
2:29:33 PM	Sen. Pizzo
2:29:50 PM	Sen. Berman
2:29:58 PM	Sen. Gaetz
2:30:52 PM	Sen. Polsky
2:31:04 PM	Sen. Gaetz
2:32:28 PM	Sen. Polsky
2:33:10 PM	Sen. Gaetz
2:34:05 PM	Sen. Polsky
2:34:15 PM	Sen. Gaetz
2:34:19 PM	Sen. Polsky
2:34:35 PM	Sen. Gaetz
2:35:01 PM	Sen. Polsky
2:35:15 PM	Sen. Gaetz
2:35:35 PM	Sen. Polsky
2:35:43 PM	Sen. Gaetz
2:36:59 PM	Sen. Smith
2:38:10 PM	Sen. Gaetz
2:38:55 PM	Daniel Martinez, Americans for Prosperity (Waives In Support)
2:39:02 PM	Chris Doulin, Small County Coalition (Waives In Support)
2:39:17 PM	Sen. Berman
2:41:17 PM	Sen. Gaetz
2:42:25 PM	Tab 18 - SB 7048
2:42:28 PM	Sen. Gaetz
2:42:42 PM	Amendment 380980
2:42:45 PM	Sen. Gaetz
2:43:52 PM	French Brown, Florida Chamber of Commerce
2:47:38 PM	Sen. Pizzo
2:48:25 PM	Mr. Brown
2:49:29 PM	Sen. Pizzo
2:50:01 PM	Mr. Brown
2:51:33 PM	Sen. Gaetz
2:53:41 PM	SB 7048 (Cont.)
2:54:32 PM	Tab 2 - SB 26
2:54:38 PM	Sen. McClain
2:55:51 PM	Tab 9 - SB 1192
2:55:56 PM	Sen. Polsky
2:56:57 PM	Amendment 600084
2:57:00 PM	Sen. Polsky
2:57:28 PM	SB 1192 (Cont.)
2:58:24 PM	Tab 3 - SB 206
2:58:29 PM	Sen. Harrell
3:02:17 PM	Tab 5 - SB 576
3:02:21 PM	Sen. Harrell
3:05:32 PM	Tab 11 - SB 1362
3:05:36 PM	Sen. Harrell
3:06:56 PM	Colton Madill, Florida Chamber of Commerce (Waives In Support)
3:07:06 PM	Jeff Sharkey, Skydrive (Waives In Support)
3:07:14 PM	Daphnee Sainvil, City of Fort Lauderdale (Waives In Support)
3:07:29 PM	Sen. Harrell
3:08:26 PM	Tab 8 - SB 1178
3:08:30 PM	Sen. Grall
3:09:22 PM	Late Filed Amendment 802316
3:09:34 PM	Sen. Polsky (Objection)
3:11:12 PM	Chair Hooper (Ruled the Objection as Not Well Taken)
3:12:13 PM	Sen. Polsky (Appealed the Call of the Chair)
3:12:26 PM	Amendment 802316 Introduced
3:15:09 PM	Sen. Garcia
3:15:35 PM	Sen. Grall
3:15:53 PM	Sen. Polsky
3:16:01 PM	Sen. Grall
3:19:00 PM	Sen. Polsky

3:19:26 PM	Sen. Grall
3:20:01 PM	Sen. Polsky
3:20:23 PM	Sen. Grall
3:21:16 PM	Sen. Polsky
3:21:20 PM	Sen. Grall
3:21:34 PM	Sen. Polsky
3:22:12 PM	Sen. Grall
3:22:34 PM	Sen. Polsky
3:22:48 PM	Sen. Grall
3:23:23 PM	Sen. Polsky
3:24:40 PM	Sen. Grall
3:26:57 PM	Sen. Polsky
3:27:06 PM	Sen. Grall
3:27:37 PM	Sen. Polsky
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3:28:50 PM	Sen. Polsky
3:29:37 PM	Sen. Grall
3:30:05 PM	Sen. Smith
3:30:50 PM	Sen. Grall
3:30:53 PM	Sen. Smith
3:31:22 PM	Sen. Grall
3:32:24 PM	Sen. Smith
3:32:58 PM	Sen. Grall
3:34:19 PM	Sen. Smith
3:34:59 PM	Sen. Grall
3:35:42 PM	Sen. Smith
3:36:32 PM	Sen. Grall
3:37:45 PM	Sen. Smith
3:38:31 PM	Sen. Grall
3:39:50 PM	Sen. Smith
3:40:49 PM	Sen. Grall
3:41:23 PM	Sen. Smith
3:41:30 PM	Sen. Grall
3:41:42 PM	Sen. Smith
3:42:18 PM	Sen. Grall
3:42:34 PM	Sen. Smith
3:42:41 PM	Sen. Grall
3:42:47 PM	Sen. Garcia
3:43:22 PM	Sen. Grall
3:43:40 PM	Sen. Garcia
3:45:13 PM	Sen. Grall
3:45:50 PM	Sen. Berman
3:46:08 PM	Sen. Grall
3:46:25 PM	Sen. Berman
3:46:36 PM	Sen. Grall
3:47:07 PM	Sen. Berman
3:47:32 PM	Sen. Grall
3:47:56 PM	Sen. Berman
3:48:15 PM	Sen. Grall
3:48:51 PM	Sen. Berman
3:49:06 PM	Sen. Grall
3:49:20 PM	Sen. Berman
3:49:39 PM	Sen. Grall
3:49:57 PM	Sen. Berman
3:50:16 PM	Sen. Grall
3:51:15 PM	Sen. Berman
3:51:29 PM	Sen. Grall
3:51:33 PM	Sen. Berman
3:52:07 PM	Sen. Grall
3:52:55 PM	Sen. Pizzo
3:53:21 PM	Sen. Grall
3:53:30 PM	Sen. Pizzo

3:54:08 PM	Sen. Grall
3:54:25 PM	Sen. Pizzo
3:55:22 PM	Sen. Grall
3:55:42 PM	Sen. Pizzo
3:55:53 PM	Sen. Grall
3:56:33 PM	Sen. Pizzo
3:57:05 PM	Sen. Grall
3:57:11 PM	Sen. Pizzo
3:57:35 PM	Sen. Grall
3:58:28 PM	Sen. Polsky
4:02:54 PM	Chris Carmody, Academy of Adoption & Assisted Reproduction Attorneys
4:04:54 PM	Sen. Harrell
4:05:30 PM	Sen. Smith
4:07:37 PM	Sen. Burgess
4:09:59 PM	Sen. Grall
4:14:54 PM	SB 1178 (Cont.)
4:15:01 PM	Sen. Smith
4:15:56 PM	Sen. Grall
4:16:12 PM	Sen. Smith
4:16:35 PM	Sen. Grall
4:16:43 PM	Sen. Smith
4:17:04 PM	Sen. Grall
4:17:14 PM	Sen. Polsky
4:17:19 PM	Sen. Grall
4:18:10 PM	Sen. Polsky
4:18:27 PM	Sen. Grall
4:18:57 PM	Sen. Berman
4:19:09 PM	Sen. Grall
4:19:36 PM	Sen. Berman
4:19:48 PM	Sen. Grall
4:20:13 PM	Marie Machlin
4:26:05 PM	Adam Basford, Associated Industries of Florida
4:27:27 PM	Sen. Berman
4:29:30 PM	Sen. Smith
4:30:43 PM	Sen. Polsky
4:33:42 PM	Sen. Grall
4:37:21 PM	Tab 19 - HB 5203
4:37:27 PM	Sen. Brodeur
4:37:52 PM	Amendment 629570
4:37:55 PM	Sen. Brodeur
4:39:06 PM	Tab 20 - HB 5207
4:39:11 PM	Sen. Brodeur
4:39:36 PM	Amendment 604948
4:39:42 PM	Sen. Brodeur
4:40:45 PM	Tab 26 - HB 5701
4:41:01 PM	Sen. Brodeur
4:41:38 PM	Amendment 562810
4:41:42 PM	Sen. Brodeur
4:43:06 PM	Tab 21 - HB 5301
4:43:11 PM	Sen. Trumbull
4:43:50 PM	Amendment 356566
4:43:57 PM	Sen. Trumbull
4:44:58 PM	Tab 22 - HB 5403
4:45:07 PM	Sen. Garcia
4:45:50 PM	Amendment 282454
4:45:55 PM	Sen. Garcia
4:46:16 PM	HB 5403 (Cont.)
4:46:22 PM	Diane Wojcik
4:48:35 PM	Laurette Philipsen
4:50:35 PM	Alla Evans
4:52:16 PM	Amy McCourt
4:55:29 PM	Barbara LoBello

4:58:07 PM	Yvette Edghill
4:59:15 PM	Lisa Arrowood (Waives Against)
4:59:20 PM	Jarrett Salmon (Waives Against)
4:59:30 PM	Halle Lettman (Waives Against)
4:59:42 PM	Sen. Pizzo
5:03:17 PM	Sen. Brodeur
5:03:39 PM	Sen. Garcia
5:04:38 PM	Tab 23 - HB 5501
5:04:45 PM	Sen. DiCeglie
5:05:17 PM	Amendment 555842
5:05:22 PM	Sen. DiCeglie
5:06:39 PM	Tab 25 - HB 5601
5:06:42 PM	Sen. Harrell
5:08:08 PM	Amendment 160978
5:08:14 PM	Sen. Harrell
5:09:23 PM	Gavel to Sen. Rouson
5:09:31 PM	Tab 24 - HB 5503
5:09:45 PM	Sen. Hooper
5:11:00 PM	Amendment 347342
5:11:04 PM	Sen. Hooper
5:12:16 PM	HB 5503 (Cont.)
5:12:34 PM	Karen Woodall, Florida Center For Fiscal Economic Policy
5:13:37 PM	Sen. Pizzo
5:13:58 PM	Ms. Woodall
5:14:41 PM	Sen. Pizzo
5:15:59 PM	Gavel to Sen. Hooper
5:16:30 PM	Votes after Roll Call
5:17:28 PM	Adjourned
5:17:35 PM	