THE FLORIDA SENATE 2021 SUMMARY OF LEGISLATION PASSED

Committee on Criminal Justice

HB 1523 — Corporate Espionage

by Rep. Beltran and others (CS/SB 1378 by Judiciary Committee and Senator Bradley)

The bill creates the "Combating Corporate Espionage in Florida Act" within s. 812.081, F.S.

The bill creates, amends, and reorganizes current definitions in s. 812.081(1), F.S. The bill amends the current third degree felony for theft of a trade secret to simplify language and move the offense from level 1 to level 3 on the offense severity ranking chart.

The bill also creates a new second degree felony for trafficking in trade secrets. A person who traffics in, or attempts to traffic in trade secrets, commits the offense. Trafficking in trade secrets is a level 5 offense on the offense severity ranking chart.

The bill adds that if a person commits either of the felony offenses described above with the intent to benefit a foreign government, foreign agent, or foreign instrumentality, the offense is reclassified as one degree higher, and the reclassified offense is increased one level on the offense severity ranking chart.

A court must order restitution if a person is convicted of violating s. 812.081, F.S., and the restitution must include the value of the benefit derived from the offense. The value of the benefit derived from the offense includes any expenses for research and design and other costs of reproducing the trade secret which the person has avoided by committing the offense. The bill also creates a civil cause of action for a victim of trade secret theft. The victim is entitled to injunctive relief and, where an injunction is not equitable, the victim is entitled to royalties.

The bill creates a defense to criminal and civil liability for a person who confidentially discloses a trade secret to an attorney, law enforcement officer, or government official for purposes of reporting or investigating an offense. A disclosure made under seal in a legal proceeding is also protected.

If approved by the Governor, these provisions take effect October 1, 2021.

Vote: Senate 40-0: House 115-0